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ABSTRACT

Equity effects of program growth and diversification on the Utah public education finance system are examined. The degree to which student and taxpayer equity are achieved by district formulas of the Minimum School Program are assessed by analysis of school-related taxation and spending over time, current distribution patterns of state support, comparisons of revenue generated by permissive taxes, and results of simulated formula modifications. A second focus is the evaluation of funding distribution efficiency and program funding adequacy. Although the primary formulas are found to be generally equitable, recommendations are made for consolidation of some Minimum School Programs and increased district decision-making authority. Appendices include summaries of public hearings and written remarks and a Minimum School Program spreadsheet. (19 references) (LMI)

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A STUDY OF THE

Utah Public School Finance System

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Findings and Recommendations of the Utah School Finance Task Force

The Utah School Finance Task Force
•
**Salt Lake City
Utah**

EA 022 477

A STUDY OF THE

Utah Public School Finance System

Findings and Recommendations of the Utah School Finance Task Force

November, 1990

Utah State Office
of Education
Jay B. Taggart
State Superintendent
of Public Instruction

The Utah
School Finance
Task Force
•
Salt Lake City
Utah

Abstract

Utah's public school finance formula was examined to determine equity effects of program growth and diversification since 1973, the date of the last major review. During this same period, the technological, professional and legal environments within which public education takes place have changed. The purpose of this study was to determine whether the Utah public education finance system has kept pace with these changes.

The primary focus of this study was the degree to which student and taxpayer equity are achieved by distribution formulas of the Minimum School Program. This was accomplished by examining (a) school-related taxation and spending over time, (b) the current distribution patterns in state support, (c) comparisons of revenue generated by permissive taxes, and (d) the results of simulated formula modifications. Secondarily the study addressed the efficiency with which funds are distributed and the adequacy of some program funding.

The study concluded that (a) the primary formulas for taxation and revenue distribution that support Utah's public school finance system are generally equitable, (b) formula changes that can enhance equity can and should be made, (c) the Minimum School Program can be made more efficient and less cumbersome by consolidating some programs, and (d) districts should be empowered with more decision-making authority, the state less, in funding public school programs.

A Study of The Utah Public School Finance System

November, 1990

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Acknowledgments

This study of Utah's public school finance system would not have been completed without the contributions of many individuals, governmental bodies, and other agencies, each of whom played an essential role in the accomplishment of such a major undertaking. The study took eighteen months, demanding an exceptional amount of patience and hard work on the part of those involved. Their cooperative efforts were strengthened by the conviction that what they were doing would result in the delivery of better quality and more cost-effective education for the young people of Utah.

We commend the Utah State Board of Education for recognizing the rapidly changing nature of school finance and for requesting the study. The state legislature, by providing the funds to support this much-needed examination of the system, has ensured that Utah will continue as a leader in the equitable financing of public education. The Utah public school finance formula, already a model for the nation, has been greatly improved as a result. Senator Lyle W. Hillyard and William N. Jones co-chaired the Task Force's Policy Committee which set the parameters of the study. Scott W. Bean, Deputy State Superintendent of Public Instruction, coordinated the efforts of the Task Force, chaired the Research Committee, and worked on many of the research subcommittees. His knowledge of national and state school finance issues and his management skills produced the kind of direction necessary in an effort of this magnitude. Mark Stevens chaired the Review Committee which provided legal and technical oversight for the Study Committee.

Consultant John Augenblick deserves special recognition for his contribution of *An Analysis of the Equity of Utah's School Finance System* which appears as Chapter Three of this document. Jay Jeffery, State Director of School Finance, provided vital guidance to all subcommittees on current finance formulas, expertly examined the problems they identified and the impact of the changes they proposed, and contributed countless hours serving as a member of many of the research subcommittees. Pat O'Hara conducted research, coordinated committees, facilitated public hearings, assisted in the writing, and edited the report. State School Finance Research Consultant Hal Robins led the research effort for many of the subcommittees and generously contributed a section from his doctoral dissertation which appears as Chapter Two of the report, *The History of School Finance in Utah*. Others in the State Office of Education assisted in the production of the report, among them Fran Peek and Daimar Robinson of Public Communications, Edward Bateman of Graphics, and the printing staff. Lois Hodgson performed countless tasks behind the scenes to ensure deadlines were met, records were maintained, and people were informed.

Teachers, principals, members of school district staffs, representatives of higher education, and others in the education community recognized the importance of the project and assisted the research teams. Representatives of the Legislative Fiscal Analyst's Office, the Office of Legislative Research and General Counsel, the Governor's Office, the Utah Education Association, local school boards and PTAs, and the business community contributed to the study as well with their time and talents. Finally, we thank school finance experts, school administrators, and employees at all levels of public education across the United States who responded so generously to our requests for information and assistance.

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Introduction

A comprehensive study of the Utah public school finance system was undertaken in July, 1989. At the request of the State Office of Education, the Utah Legislature mandated and funded the research. Following its review of the recommendations contained in this report, the State Board will forward recommendations to the Legislature and Governor prior to the commencement of the 1991 session of the Legislature.

Need for the Study

The study was considered necessary for two principal reasons. First, the state's school finance formula was last analyzed in 1973 when it was fundamentally rewritten to increase equity through the use of weighted pupil units (WPUs) as the basis for distributing Minimum School Program funds. During the ensuing sixteen year period, significant change occurred in the state's economy, demographics, social structure, and school finance statutes. Second, because of the changing nature of public education, the size and number of programs increased considerably. There are now more than 50 required line items in the public school budget.

Thus, a thorough examination of the impact of these changes seems critical, not only to determine whether the programs, as now constituted, adequately and equitably meet the needs of Utah's children, but also to measure their impact on local control and the flexibility with which local boards manage their systems.

The dimensions of adequacy and equity are both of immense importance in this state. Utah spends less per pupil than most states, but attempts to spend it equitably. The Policy Committee determined at the beginning of the present study that since the adequacy question—that is, the amount of money to be allocated to public K-12 schools—is legislatively controlled, the study should concentrate on equity. It must be noted that adequacy **is** a serious issue. The courts today are demanding fairness, as they have since the landmark case of ***Brown v. Board of Education of Topeka*** in 1954 and the watershed civil rights cases of the 1960s. In 1990, the courts are telling states that fairness can no longer be interpreted simply as **equitable** spending, it must also mean that students must be **adequately** educated.

Support for the Study

During the sixteen year expansionary period described above, major nationwide changes occurred in public school finance as a result of several landmark court decisions. The Utah Legislature, the state's Governor, the education community, and the public have all recognized the importance of those cases. While there may be general agreement that Utah's public education maintenance and operation finance system has a sound conceptual base, many individuals and groups nonetheless welcomed the examination. They recognize that the court cases address fundamental questions of fairness and equity—that is, disparate treatment of both children and taxpayers. The consensus among most individuals and groups is that by periodically examining the school finance formula, such as with the present study, we accommodate change while ensuring equitable treatment for students and taxpayers of the State of Utah.

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Design of the Study

In July, 1989, the State Board of Education appointed a Project Coordinator and Task Force to design and direct the study. The task force consisted of 48 individuals drawn from public and higher education, business and finance, labor, state and local parent-teacher associations, politics, and government.

The Task Force was divided into three task-oriented groups: the Policy Committee, the Research Committee, and the Review Committee. This division of tasks was based on the philosophy that objectivity in such a study required that policy direction, research, and review be kept independent.

The Policy Committee. The purpose of the Policy Committee was to determine research priorities—that is, which components of the finance formula required analysis. The Policy Committee then assigned duties to the Research Committee.

The Policy Committee was composed of teachers, school administrators, district superintendents, the State Superintendent of Public Instruction, members of the state board, and representatives from the governor's office, the state PTA, the state teacher's association, and the business community. This committee was co-chaired by a State Senator and the local manager of a large corporation.

The Research Committee. The purposes of the Research Committee were to carry out the research assignments of the Policy Committee and to make recommendations based on findings.

The Research Committee included staff from the school finance office, district superintendents, district finance officers, a member of the governor's planning office, and representatives from the legislative research and fiscal analyst's offices, universities, and the state teacher's association. This committee was chaired by the Project Coordinator, the Deputy State Superintendent of Public Instruction.

The Review Committee. The purpose of the Review Committee was to consider the technical implications of the recommendations made by the Research Committee. This included review of accounting and financial procedures and legal analysis.

The Review Committee was composed of members of the state board and school finance office, a CPA, an attorney, and a bank economist. This committee was chaired by a Certified Public Accountant from the local branch of a national firm.

The History of School Finance in Utah

Since territorial days, school finance methods have changed in response to political, economic, social, religious, and technological forces. According to Robins[1], major changes can be associated with cyclical shifts in value emphasis. These shifts were influenced by wars, depressions, law changes, and other critical events.

The basic funding mechanism for public education in Utah was established in 1921: state participation based on the personal income tax and local participation based on county property taxes.

The Territorial Period, 1847-1896

Prestatehood schooling in Utah was largely a function of the Church of Jesus Christ of Latter Day Saints (Mormon), with local wardhouses serving as both church and school. School lands first began to generate revenue in 1893. Most school revenues came in the form of charity, donations and tuition. In 1857 there were 76 small school districts and 62 schools. By 1874 the number of districts had grown to 224, the number of schools to 226. Statehood in 1896 brought a drive for consolidation and the exertion of more control at the state level.

The Consolidation Movement, 1897-1915

Many of the 226 districts in existence at the time of statehood had less property wealth than required to fund even a minimum educational program. The legislature mandated consolidation to 40 districts in 1915. World War I brought a dramatic increase in centralization of school control. In 1917 the state began designing what would be the first true foundation program which combined state and local revenues and set a base per-pupil spending plan. The plan was implemented in 1921. State aid grew to $3.2 million by 1924. The first "Equalization Program" was created in 1931. This included the introduction of "weighted" pupil counts and the calculation of district cost differentials. The need for annual increases in funding was recognized and provided for, but the Great Depression rendered this moot.

The Depression, 1931-1937

Because of the economic impact of the depression, the state assumed a major role in financing public education. At the time, Utah had many school-age children, but the districts had few financial resources with which to educate them. Economically, it was impossible to implement the 1937 equalization law. With the added assistance from the state came added control. World War II intervened to again cause significant changes in Utah public school finance.

World War II, 1937-1947

Both the Equalization Fund and the Uniform School Fund became operational in 1939. The war brought severe scarcities in resources and a large in-migration because of the war-related industries located in the state. The growth of the student population continued. Between 1936 and 1948 educational expenditures grew from $11 million to $31 million, and the state's share remained constant at about 40%. For the first time, some General Fund monies were earmarked for education, a condition which remains today. A uniform accounting system for districts was adopted, and educational funds were consolidated. A constitutional amendment allowed the legislature to revise education laws. These reforms, along with the general post-war recovery, led to another cycle of change in the school finance program.

Change Under the Foundation Plan, 1947-1964

The Foundation Plan, created some years earlier, but stalled because of the depression and the war, first began to operate as planned in 1948. This provided for (a) consolidation of funds, (b) guaranteed equalization of tax support, (c) uniform tax rates, and (d) the use of weighted distribution units. During this period, new sources of revenue were added such as increased district bonding limits, the creation of emergency and continuing state building aid, and the arrival of federal impact aid. While the improvements helped, the wealth disparity between districts widened and, in some cases, shifted. This caused severe problems, for example, for previously wealthy districts that suddenly found themselves poor. During the '50s, teachers were in short supply, the backlog of building shortages and repairs was not being remedied, and districts were bonded to the limit. The types of reform discussed above were underway to varying degrees around the country, but in some areas, such as civil rights, reform became a matter not left entirely to local or state school administrations. Rather, the courts and the federal agencies became involved.

Outside Events Affecting Utah School Finance, 1964-73

During this period, minor changes were made in school finance, including increases in property tax rates and the creation of the voted leeway. It was events at the federal level and in the courts during this period that would lead to the major changes of 1973.

Federal influence greatly increased with the passage of the Elementary and Secondary Education Act in 1965, and the findings of the President's Commission on Finance in 1972. These events, combined with court decisions in ***Brown v. the Board of Education of Topeka*** in 1954 and ***Seranno v. Priest*** in 1971, prompted Utah legislators and educators to undertake a major revision of the school finance program.

The Major Revision of 1973

In 1973 Utah passed a major school finance reform law based on limited power equalizing and weighted pupil units. This was the first radical change since 1947 and culminated a second wave of equity-driven reform in Utah education. New efforts were made regarding statewide tax equalization and new categorical programs such as instructional media centers, extended day programs, teacher leadership, and compensatory education were financed. The State Office of Education gained new influence by working in such areas as research, planning, finance, publications, and special education services.

The traditional pattern of substantially increasing student enrollments returned in the late 1970s, this time coupled with double-digit inflation and unemployment, and a popular movement for tax limitation legislation. In 1981 there was not enough revenue to complete the regular school term and a 3.5% reduction in the current operating budget was required. A 2% cut was again required in 1982. While the legislature continued to incrementally increase overall funding for public education, the ensuing years remained "lean." The recession ended slowly, and the Reagan Administration reduced federal school support.

At the same time, education reform remained on Utah's agenda. Different interest groups called for new ways to deliver new educational services, budgetary reallocations, incentives, accountability, and for a decision-making partnership. New programs such as year-round schools, productivity improvement, outcome based education, and inservice training were begun on a small scale. The first 3 years of a teacher career ladder program were implemented. All this occurred against the ongoing realities of large average size classes and low per-pupil expenditures.

The Present

The Legislature authorized the present study to determine whether reform of all or part of the school finance formula is necessary. Since 1973, the last time the formula was thoroughly examined, the number of programs has doubled, numerous mathematical formulas have been added, and the education budget has grown to over $1 billion.

Equity

The concept of equity in public education is an enduring one, inherent in the original vision that led to the establishment of the American public school system. Converging upon this concept are three related meanings that seem to shift in emphasis in response to changing societal values and the ebb and flow of the political climate: Equal access to education, equal educational treatment, and equality of educational outcome. Each must occur in horizontal and vertical dimensions and within a system that achieves tax equity.

Horizontal equity occurs when per-pupil funding is equal state-wide. Vertical equity occurs when children who have extraordinary needs have those needs met on an equitable basis. This aspect of equity must also be addressed by the school finance program because, even though per-pupil spending for the basic program might be equal, other conditions mitigate against true equity. These include handicapping conditions, transportation problems, and the isolation of some rural schools.

The concept of tax equity holds that (a) funding ability be based on the wealth of the state as a whole, and (b) for the same tax effort all districts should be able to provide educational facilities and programs with essentially the same quality.

Educational equity first meant equal access to education, or that every child should be provided with at least the same minimally adequate schooling. Equity later came to mean equal educational treatment, or that the educationally disadvantaged should be provided with remedial services to restore their potential for success to a level comparable with that of other students. Most recently, the focus of equity has moved to equal learning outcomes, that schools should produce students who have mastered the same sets of skills and competencies.[2]

The idea that every student in every public school should receive precisely the same education has been uniformly rejected as absurd and unrealistic, and as a view that ignores the unique enthusiasms, interests, and special areas of expertise of the individual teacher. Uniformity also negates the powerful historical tradition of local control which fosters public ownership and pride of the members of a community in the schools they themselves patronize and support, and that educate their children.

Efforts to advocate for increased funding for public schools as an altruistic investment for the public because they exert such a vital, long-term impact on the public economic and social well-being and on the quality of life the next generation will inherit have been only moderately successful. There remains a tenacious belief that those who live in districts with great wealth or who are willing to pay higher taxes for public schools should reap the consequent higher quality benefits rather than share them with those less affluent. The courts make it clear that the quality of a child's education cannot be an accident of birth—that equity occurs only when the state's total wealth serves as the basis for educational funding and per-pupil spending disparities are minimized.[3]

The State of Utah has historically defined its school finance system in terms of equity. That is, the state may experience periodic economic slumps and occasional booms over time, and it may face budget deficits and surpluses as the economic cycle evolves, but it will always strive to treat students and taxpayers equitably regardless of economic conditions. As part of the school finance study, therefore, the Task Force considered it imperative that the equity of the school finance formula be objectively examined by an impartial authority.

After consulting school finance authorities across the nation, the Task Force identified five school finance experts, one of which would serve as consultant for the equity portion of the study. All five are recognized internationally for their expertise in the subject, having consulted for state education agencies, legislatures, state and federal courts, and the Governor's offices of most states. The Task Force contracted with Dr. John Augenblick of Augenblick, Van de Water and Associates, Denver, Colorado, to conduct the analysis.

Dr. Augenblick is a former Director of Research at the Education Commission of the States. In its search for a consultant, the Task Force contacted school finance experts in 15 states and the American Education Finance Association. Dr. Augenblick was unanimously recommended by those contacted. He brings a unique expertise to the Utah study because of his recent work in the states of Kentucky, Texas, New Jersey, Louisiana, South Dakota, Montana, Missouri, and Arkansas, all of which have involved litigation related to the finance formula components under study in Utah. Dr. Augenblick examined school finance equity as a function of taxation and per-pupil expenditures over time. His analysis was based on data provided by the Utah State Office of Education for the years 1983, 1986, and 1989. His conclusions and recommendations follow.

Equity Analysis

by

John Augenblick

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Denver, Colorado

Equity Analysis by John Augenblick

In November 1989 the Utah State Office of Education awarded a contract to Augenblick, Van de Water & Associates (AVA), a Denver-based education policy consulting firm with particular expertise in the area of school finance, to provide assistance to the School Finance Task Force. One of the activities AVA was asked to undertake was an evaluation of the equity of Utah's school finance system.[4] This report summarizes our findings and conclusions concerning the equity of the system.

Equity is a difficult concept to define. Most people use the word "equity" loosely, with the result that it is not unusual for two policymakers to use the goal of equity to justify two entirely different, and perhaps conflicting, approaches for the distribution of state aid. Since the ***Serrano*** decision by the California Supreme Court in 1971, policymakers have looked to the courts for guidance in defining equity. Unfortunately, while there have been 11 cases (in Arkansas, California, Connecticut, Kentucky, Montana, New Jersey [two separate cases], Texas, Washington, West Virginia, and Wyoming) in which a state's school finance system has been declared unconstitutional by that state's highest court, the courts have not been very precise in defining what is meant by equity. In most cases, school finance systems are found to violate specific language contained in a state's constitution, typically in an education clause requiring the state to provide a "thorough and efficient", "uniform", "basic", or "ample" education for all pupils throughout the state. A framework for looking at equity has been developed that suggests that policymakers determine: (1) the group for which equity is to be provided; (2) the object that should be distributed equitably; (3) the principles to be used in determining fairness; and (4) the measures to be used to quantify the level of equity being achieved. Typically, policymakers focus on pupils as the group for whom equity should be provided (although taxpayers and teachers are often considered) while education resources (for example, revenues available or instructional expenditures, pupil-teacher ratios, teacher qualifications, or course offerings) become the objects of interest.

Several equity principles can be applied to determine whether the distribution of a particular object to a particular group is fair. First, every member of the group could be treated equally. Using this principle, if the group were pupils and the object were instructional expenditures, a distribution would be considered fair if the instructional expenditures for every pupil in the state were precisely equal. Second, members of a group could be treated differently if there were legitimate, cost-related differences among them. Using this principle, instructional expenditures could differ among pupils to the extent that their needs required a different level of resources. If differences in need were found to be related to differences in expenditures, a variation in per pupil expenditures would be justified. A third principle of equity is that of equal opportunity. This principle is often formulated in a negative way, requiring that there **not** be a relationship between the amount of an object received by a one member of a group and some characteristic of the group considered to be illegitimate. For example, if the relationship between the level of instructional expenditures and the property wealth of districts were strong, it would interfere with equal opportunity because the wealth of a district bears no necessary relationship to the educational needs of pupils enrolled in that district.

Once policymakers have identified the group, the object, and the principle to be used in evaluating equity, it becomes possible to measure the extent to which equity is being achieved. Obviously, the more combinations of groups, objects, and principles that must be achieved simultaneously, the more difficult it is to determine the overall equity of a system since there is bound to be internal conflict.

Typically, equity is measured in two ways: first, as the amount of variation or disparity in some object and second, as the relationship between that variation and some characteristic of a group. Under most circumstances, policymakers are concerned about the variation in the level of educational services available to pupils, as indicated by spending levels, characteristics of teachers (such as their salary), and other attributes of the educational program. In addition, policymakers need to understand the relationship between the availability of services and characteristics of school districts (such as wealth and tax effort) in which pupils are enrolled in order to evaluate the appropriateness of any variation found.

In order to evaluate the equity of Utah's school finance system, we undertook a variety of tasks. First, we examined the structure of the system to determine whether it was designed to promote fiscal equity across the state's 40 school districts. Second, we identified a set of basic demographic, revenue, and staffing variables in which we had some interest. Using three years of data (1982-83, 1985-86, and 1988-89, the most recent year for which data were available), we examined how the statewide mean value for each variable changed over the three years and the extent of the variation among districts for each variable.

In order to determine disparity, we used the coefficient of variation (c.v.). The c.v. is simply the standard deviation divided by the mean. The c.v. is a powerful statistic for evaluating disparity because: (1) it uses data for all districts (some other disparity statistics, such as the range, only use data from two districts, the highest and lowest, without regard for the situation in the other districts); (2) it emphasizes values far from the mean because, in calculating the standard deviation, the differences between such values and the mean are squared (some disparity statistics, such as the relative mean deviation, are sensitive to differences between district values and the mean but do not square them); (3) it is normed by the mean, permitting easy comparison from one year to the next; and (4) it is not affected by the influence of factors that affect all values similarly, such as inflation (a statistic such as the restricted range is affected by inflation).

When we calculated the c.v., we weighted the value for each district by the number of pupils enrolled in each district in order to assure that we were sensitive to the impact on pupils rather than districts. The c.v. can range from 0.000 to well above 1.000; the lower the c.v., the less disparity exists. Given the way we calculated the c.v., a level of .100 for a variable such as per pupil expenditures would indicate that about two-thirds of all pupils in the state are enrolled in districts where per pupil expenditures are within plus or minus 10.0 percent of the statewide average.

Third, we examined the relationships between the variables and district fiscal capacity. To measure the strength of a relationship, we used the correlation coefficient (r). The correlation coefficient is a statistic that can vary between -1.00 and +1.00. A value of zero means that there is no relationship between two variables while a value of 1.00 indicates a very strong relationship. A positive value indicates that as one variable increases the other one does also; a negative value indicates that as one variable increases the other becomes smaller. Values between zero and .40 are considered weak, values between .40 and .70 are considered moderate, and values above .70 are considered strong.

Fourth, in order to examine more closely the relationship between wealth and the other variables without using statistics, we grouped districts into wealth quartiles, four groups with approximately equal numbers of pupils ranked by district property wealth per pupil. We subdivided the lowest and highest quartiles into halves, each containing approximately equal number of pupils (about one eighth of all the pupils in the state) in order to better understand the impact of the system on very low or very high wealth districts. Then we calculated the quartile average for each variable and examined the data to determined whether any pattern existed across quartiles.

In terms of structure, we conclude that the system is well designed to provide fiscal equity. This is the case because Utah uses a "foundation" program, the most widely used method of funding schools across the country, in combination with a program that provides aid to districts that exceed the foundation program's required property tax effort. The foundation program is strong for three reasons. First, unlike many states, the foundation level of revenue guaranteed to every pupil is relatively high compared to the total amount of state and local current operating revenue received by districts. In 1988-89, the foundation guarantee was about $1,200 per weighted pupil unit (WPU) while the sum of state and local current operating revenue was about $1,900 per pupil. In some states, state and local revenue is, on average, two or three times higher than the foundation level (this was essentially the situation which led to litigation in Montana).

Second, the state requires an appropriate contribution by districts as their share of the foundation program. In the aggregate, districts provide about 30 percent of all foundation program revenues. In some states, districts provide a very small share of foundation program revenues, an inefficient use of state aid, particularly if districts provide unequalized revenue outside of the foundation program (this is the situation that led, in part, to the litigation in Kentucky). Finally, Utah's foundation program "recaptures" revenue from districts that are so wealthy that, at the required level of tax effort, they raise more than the guaranteed amount. This procedure, a very effective way to assure taxpayer and pupil equity, is only used in a few other states (directly in Montana and Wyoming and indirectly in Colorado).

Utah permits districts to generate revenue above the foundation level through the voted leeway program and helps relatively poor districts to do so. Because it is so difficult to set an appropriate foundation level, which results in most districts choosing to raise revenue above those guaranteed by the foundation program, one way to promote equity is to provide assistance to districts that set tax rates higher than those required in the foundation program (this is a feature of the new Kentucky school finance system, which became law in April 1990). Utah does not fully equalize all taxes above those required in the foundation program, a factor that could interfere with equity. Utah's school finance system is also sensitive to a variety of factors that affect district education expenditures and that typically vary dramatically across districts, such as transportation costs, costs associated with education of handicapped pupils and vocational education, and retirement costs. In some cases, pupils are "weighted" to reflect the costs associated with providing special services and then the weighted pupil count is used to allocate state aid under the foundation program. This is a more effective equalizing approach than reimbursement of a fixed proportion of costs, as is done in many states. In other cases, the state pays the full costs associated with a particular program, which is the most effective equalizing approach, since districts do not have to pay any of the costs; however, given limited state funds, this is also an inefficient approach since wealthy districts could have paid some portion of such costs, thereby saving state funds that could be used in other parts of the program.

Utah has a large number of specific support programs in two categories, the Special Purpose Optional programs, which are equalized under the foundation program, and the Special Purpose Programs, which provide incentives to districts and are outside of the foundation program. While the number of programs is cumbersome, the number does not have an impact on equity. Since Special Purpose Programs provide less than seven percent of all revenue, the fact that they are unequalized is not likely to affect the overall equity of the system.

One area of some concern is capital outlay and debt service. Utah is one of the few states experiencing growth in pupil enrollment while little state aid is provided to help districts build new facilities and renovate older schools. The issue of equalizing support for capital outlay and debt service has been raised in recent court cases; most recently, Kentucky, in response to its case, created a foundation program for capital outlay.

The data analysis is summarized in the five basic tables and three supplementary tables attached to this report. Table 1 indicates the statewide mean values for a variety of demographic and revenue variables as well as the variation in the system for the years 1982-83, 1985-86, and 1988-89. Only variables for which all three years of data are available are shown (teacher variables for 1988-89 are excluded). In many of the tables the unit of analysis is the "Weighted ADM", a pupil count created to reflect the needs of districts without using the WPU system, since it includes a wide variety of counts that have less to do with needs than with the implementation of state policies. Weighted ADM is the sum of K-12 ADM, small school WPUs and handicapped WPUs.

It is obvious that the method used to assess district property wealth changed between 1985-86 and 1988-89, which makes it difficult to determine whether property values were increasing or not. Based on the c.v., it is clear that the overall variation in per pupil property wealth, did increase between 1982-83 and 1988-89, placing a heavier burden on the state to neutralize the impact of wealth on school funding. It is also clear that the proportion of small WPUs has remained constant, with enormous variation across districts, while the proportion of handicapped WPUs has increased, as has the variation among districts. The proportion of WPUs that are associated with Special Purpose Optional Programs has decreased and the variation among districts in the proportion of such WPUs is relatively low.

In terms of revenue variables, reliance on local M&O revenue has been increasing and the variation in local revenue is large, but not as large as the variation in property wealth. Property taxes provide most local revenues for districts. Property tax rates decreased between 1982-83 and 1985-86. Between 1985-86 and 1988-89, property tax rates did not decrease as rapidly as property values increased (that is, property tax rates increased slightly). At the same time, the variation in property tax rates across districts is increasing steadily.

State M&O funds per pupil grew more rapidly than local funds between 1982-83 and 1988-89 (24.6 percent for state funds as compared to 15.6 percent for local funds). The variation in state funds has remained steady and lower than the variation in property values, tax rates, or local M&O revenue. The combination of state and local M&O revenues grew by 21.9 percent between 1982-83 and 1988-89 and the variation in such revenues, a primary indicator of equity, is relatively low, suggesting that most districts have similar amounts per pupil of current operating revenue available to them.

Federal revenues are very low, although they have grown, on average, by 32.9 percent between 1982-83 and 1988-89. The variation is federal revenues is large across all districts (while reliance on P.L. 874 revenues is low, there is enormous variation among districts). Local revenue for capital purposes has declined, both in terms of actual cash and bonded debt, although the variation among districts is enormous. Very little state revenue has been provided for capital purposes and, in fact, the amount has been declining.

Table 2 displays the correlation coefficients between some of the variables shown in Table 1 and wealth, tax rate, and size for 1982-83, 1985-86, and 1988-89. The strongest correlations are between local M&O revenue and wealth, the strength of which have remained high over time. In conjunction with the fact the correlations between local revenue and tax rates are low, the conclusion is that wealth, not effort, is a strong determinant of local funds. Property tax rates are, in fact, inversely related to wealth, indicating that the wealthier a district is, the lower its property tax rate. State M&O revenues are negatively associated with property wealth, indicating that state aid is very sensitive to district wealth and that state aid compensates for differences in the wealth of districts. State aid, however, is negatively associated with tax rates, suggesting that state aid is greater in districts with lower tax rates. This may lead to the result that the correlation between wealth and the sum of state and local revenues is high (and has grown since 1982-83). On one hand, there is not much variation in the per pupil revenues of districts; on the other hand, what variation there is related to wealth and not to tax effort. Without knowing anything about capital needs, it is difficult to evaluate the high correlation between local capital revenues (cash, not debt) and wealth. If all districts have similar needs, this is not good; however, it may be possible, although not probable, that wealthier districts have higher needs than poorer districts.

Table 3 attempts to show the relationship between wealth and demographic and revenue variables using wealth quartiles. Table 3 displays data for 1988-89; Tables A-2 and A-3 display the data for 1982-83 and 1985-86, respectively. Definitions of quartiles and placement of districts into quartiles is shown in Table A-1.

Based on the way the quartiles were created, the per pupil property wealth of each quartile increases from left to right. Any other variable that increases uniformly from the first to the fourth quartile is positively associated with property wealth. Since wealthier districts appear to have a higher proportion of small WPUs, wealthier districts are generally smaller than poorer ones. Wealthier districts also have slightly higher proportions of handicapped pupils, although differences across districts are generally small. The wealthiest districts also have a slightly higher proportion of special purpose optional WPUs.

Clearly, wealthier districts raise substantially more in local M&O revenue per pupil than poorer districts. Districts in the top half of the fourth quartile raised over four times as much per pupil in local revenue as districts in the bottom half of the first quartile. Wealthier districts also tend to rely somewhat more on property taxes as their primary source of local revenue. In general, wealthier districts tend to have higher property tax rates than poorer districts, although districts in the top half of the fourth quartile have tax rates that are lower, on average, than those of other districts except those in the bottom half of the first quartile. However, because differences in per pupil local revenue are much more similar to differences in wealth than to differences in tax rates, this confirms that wealth, not tax effort, is primarily responsible for differences in local revenues.

State revenue is clearly lower in the highest property wealth districts than it is in the lowest wealth districts; however, it is clear that differences in state aid for districts in the first three quartiles are not large. The net result is that per pupil revenues (state and local M&O) are generally similar across quartiles, although the difference in revenues between the districts in the top half of the fourth quartile and districts in the bottom half of the first quartile is on the order of $400 per pupil. The difference in revenue does not match the difference in tax effort; the wealthiest districts raise about 22.4 percent more revenue per pupil than the poorest districts while having tax rates that are only 12.9 percent higher.

Federal revenue is much higher in the wealthiest districts, apparently reflecting the availability of P.L. 874 revenue. Capital funds, both cash and bonded debt, are significantly higher in districts in the top half of the fourth quartile while state capital funds are low regardless of district wealth.

There are insignificant differences in the staffing patterns of wealthy and poor districts although the wealthiest districts tend to have slightly more staff, which may reflect their size.

In Table 4, comparisons are made of changes in quartile values between 1982-83 and 1988-89 in order to determine how the status of the school finance system has changed over time. It is clear that the fiscal capacity of the wealthiest districts has increased more rapidly than that of the poorest districts while the fiscal capacity of average wealth districts has grown at a fairly constant rate somewhere between the rate of growth of the wealthiest and poorest districts. The proportion of handicapped pupils has been increasing more rapidly in wealthy districts as compared to poor ones.

Local revenue has increased dramatically in the wealthiest districts while it has actually decreased in the poorest districts. Districts in the highest quartile in terms of wealth have had an increase in local revenues two to three times the increase of less wealthy districts. Tax rates decreased to the greatest extent in the poorest districts, those in the bottom half of the first quartile.

State revenues grew to a greater extent in the least wealthy as compared to the most wealthy districts although differences in state aid were not sufficient to overcome differences in local support. The net result was that the $200 difference in state and local revenue per pupil increased to $400 between 1982-83 and 1988-89. However, this difference may be explained by the difference in the size of districts in each quartile, the proportion of handicapped pupils, or transportation expenditures.

Utah's school finance program includes several components, as discussed previously. An issue that should be examined is the extent to which the various components contribute to the overall equity of the system. Using data for 1988-89, it was possible to examine the distribution of Special Purpose Optional and Special Purpose Program funds. As shown in Table 5, Special Purpose Optional Program funds provide approximately the same amount of revenue per pupil regardless of district wealth (the correlation between such funds and wealth was .19). However, there is a much more obvious relationship between state Special Purpose Program revenue and wealth (the correlation was .49). Districts in the fourth wealth quartile receive 20 to 30 percent more state aid through special purpose programs (most of which is career ladder funding, once transportation has been excluded) than most other districts, except those in the bottom half of the first quartile.

On the basis of the analysis, I conclude that Utah's school finance system provides a high degree of fiscal equity, particularly in terms of current operating revenue. While improvements in the system can and should be made, any modifications should be viewed as being "at the margin"; there is no reason to restructure the entire system in order to achieve equity. The system might be redesigned to accomplish other purposes; if that is done, however, equity should be evaluated carefully since it would be inappropriate to reduce the amount of equity the system achieves. The state must do something about capital outlay and debt service, which may be an issue of both equity and adequacy. This will be difficult to do without the infusion of a significant amount of new funds. Simply equalizing every district's ability to pay for capital outlay and debt service, without assuring that sufficient revenue can be generated to meet projected needs, will not solve the long term problem.

TABLE 1
Change in Statewide Means and Coefficients of Variation for per Weighted ADM* Demographic and Revenue Variables For Utah School Districts, 1982-83 to 1988-89

Year:	1982-83		1985-86		1988-89	
	Mean	Coeff. of Var.	Mean	Coeff. of Var.	Mean	Coeff. of Var.
Demographic Variables						
Property Wealth per ADM	$ 19,468	.701	$22,504	1.212	$107,162	.918
Property Wealth per Weighted ADM	$17,315	.644	$19,604	1.088	$93,217	.834
Small School WPUs as a Percent of ADM	1.7%	3.452	1.5%	3.745	1.6%	4.158
Handicapped WPUs as a Percent of ADM	9.4%	.147	11.7%	.328	11.9%	.253
Special Purpose Optional WPUs as a Percent of ADM	3.6%	.122	4.4%	.095	2.8%	.114
Revenue Variables						
Local M&O Revenue per Weighted ADM	$ 499	.515	$ 533	.582	$ 577	.578
Local Property Tax as a Percent of Local M&O Rev.	83.5%	.080	83.5%	.073	84.8%	.062
Calculated Property Tax Rate	.022531	.155	.021719	.194	.004815	.203
State M&O Revenue per Weighted ADM	$ 1,118	.162	$ 1,314	.151	$ 1,393	.153

TABLE 1
(Continued)
Change in Statewide Means and Coefficients of Variation for per Weighted ADM* Demographic and Revenue Variables For Utah School Districts, 1982-83 to 1988-89

Year:	1982-83		1985-86		1988-89	
	Mean	Coeff. of Var.	Mean	Coeff. of Var.	Mean	Coeff. of Var.
Revenue Variables (Continued)						
Sum of Local and State M&O Rev. per Weighted ADM	$ 1,617	.069	$ 1,847	.085	$ 1,971	.072
Federal M&O Revenue per Weighted ADM	$ 82	.745	$ 91	.752	$ 109	.870
P.L. 874 Revenue as a Percent of Federal Revenue	0.8%	2.554	0.8%	2.609	1.1%	3.267
Local Capital Revenue per Weighted ADM	$ 264	.619	$ 364	.720	$ 101	.746
Other Capital Revenue per Weighted ADM	$ 258	2.000	$ 175	1.156	$ 123	6.839
State Capital Revenue per Weighted ADM	$ 41	2.026	$ 28	1.354	$ 19	1.121

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

TABLE 2
Correlation Between Wealth per Weighted ADM*, Property Tax Rate, and Size (ADM) and Selected Demographic and Revenue Variables for Utah School Districts, 1982-83 to 1988-89

	Correlation Coefficients by Category and Year								
	Wealth per Weighted ADM			Property Tax Rate			Size (ADM)		
	1982-83	1985-86	1988-89	1982-83	1985-86	1988-89	1982-83	1985-86	1988-89
Selected Demographic and Revenue Variables									
Property Wealth per Weighted ADM	1.00	1.00	1.00	-.24	-.28	-.15	-.36	-.28	-.29
Small School WPUs as a Percent of ADM	.35	.25	.19	-.51	-.33	-.29	-.37	-.34	-.31
Handicapped WPUs as a Percent of ADM	.06	.01	.17	.26	-.11	.05	.16	-.04	-.27
Spec. Purpose Optional WPUs as a Percent of ADM	.51	.34	.36	-.42	-.23	-.17	-.47	-.46	-.44
Local M&O Rev. per Weighted ADM	.90	.71	.81	.13	.04	.25	-.18	-.26	-.26
Calculated Property Tax Rate	-.24	-.28	-.15	1.00	1.00	1.00	.76	.44	.35
State M&O Rev. per Weighted ADM	-.89	-.69	-.73	-.04	-.02	-.31	.24	.33	.27

TABLE 2

(Continued)

Correlation Between Wealth per Weighted ADM*, Property Tax Rate, and Size (ADM) and Selected Demographic and Revenue Variables for Utah School Districts, 1982-83 to 1988-89

	Correlation Coefficients by Category and Year								
	Wealth per Weighted ADM			Property Tax Rate			Size (ADM)		
Selected Demographic and Revenue Variables	1982-83	1985-86	1988-89	1982-83	1985-86	1988-89	1982-83	1985-86	1988-89
Sum of Local and State M&O Revenue per Weighted ADM	.63	.54	.80	.23	.05	.11	-.03	-.10	-.20
Local Capital Revenue per Weighted ADM	.69	.72	.68	-.33	-.38	-.10	-.35	-.25	-.37
Other Capital Revenue per Weighted ADM	.2	.89	.08	-.31	-.36	-.12	-.13	-.26	-.17
State Capital Revenue per Weighted ADM	-.19	-.17	-.25	-.12	-.11	-.21	-.04	-.13	-.07

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

TABLE 3

1988-89 Pupil Weighted Quartile Averages for Demographic, Revenue, and Staffing Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Demographic Variables						
Property Wealth per Weighted ADM	$ 49,383	$ 55,943	$ 69,276	$ 79,206	$101,924	$235,970
Small School WPUs as a Percent of ADM	1.7%	0.6%	0.9%	0.8%	3.1%	4.0%
Handicapped WPUs as a Percent of ADM	11.1%	11.7%	10.8%	12.0%	12.8%	14.1%
Special Purpose Optional WPUs as a Percent of ADM	2.7%	2.8%	2.6%	2.7%	2.9%	3.1%
Revenue Variables						
Local M&O Revenue per Weighted ADM	$ 287	$ 382	$ 451	$ 522	$ 676	$1,300
Local Property Tax as a Percent of Local M&O Rev.	79.3%	81.2%	83.0%	86.2%	87.7%	91.4%
Calculated Property Tax Rate	.004106	.004943	.004818	.005045	.005092	.004634
State M&O Revenue per Weighted ADM	$1,557	$1,595	$1,451	$1,431	$1,291	$ 959
Sum of Local and State M&O Rev. per Weighted ADM	$1,845	$1,976	$1,902	$1,953	$1,966	$2,259

TABLE 3
(Continued)
1988-89 Pupil Weighted Quartile Averages for Demographic, Revenue, and Staffing Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Revenue Variables (Continued)						
Federal M&O Revenue per Weighted ADM	$ 71	$ 130	$ 79	$ 86	$ 124	$ 220
P.L. 874 Revenue as a Percent of Federal Revenue	0.0%	2.6%	0.5%	0.5%	0.9%	3.1%
Local Capital Revenue per Weighted ADM	$ 24	$ 37	$ 83	$ 107	$ 123	$ 236
Other Capital Revenue per Weighted ADM	$ 54	$ 93	$ 5	$ 36	$ 79	$ 663
State Capital Revenue per Weighted ADM	$ 39	$ 41	$ 4	$ 23	$ 18	$ 5
Staffing Variables						
Teachers per 1,000 Weighted ADM	19.7	21.9	21.3	20.5	19.1	22.1
Average Years of Experience for Teachers	10.1	11.2	10.7	11.0	10.7	11.6
Average Teacher Salary	$22,813	$23,103	$22,590	$23,458	$21,949	$23,303

TABLE 3
(Continued)
1988-89 Pupil Weighted Quartile Averages for Demographic, Revenue, and Staffing Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Staffing Variables (Continued)						
Central Staff per 1,000 Weighted ADM	0.2	0.4	0.1	0.3	0.6	0.4
Counselors, Nurses and Psychologists per 1,000 Weighted ADM	1.2	1.5	1.0	1.6	1.2	1.9

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

TABLE 4

Change Between 1982-83 and 1988-89in Pupil Weighted Quartile Averages for Demographic Revenue Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Demographic Variables						
Property Wealth per Weighted ADM						
1982-83	$ 10,192	$ 10,726	$ 12,262	$ 15,522	$ 19,690	$ 41,354
1988-89	$ 49,383	$ 55,943	$ 69,276	$ 79,206	$101,924	$235,970
Change Factor	4.84	5.22	5.65	5.10	5.18	5.71
Small School WPUs as a Percent of ADM						
1982-83	1.6%	0.0%	1.1%	1.0%	3.2%	4.3%
1988-89	1.7%	0.6%	0.9%	0.8%	3.1%	4.0%
Absolute Change (Percentage Points)	+ .1pp	+ .6pp	- .2pp	- .2pp	- .1pp	- .3pp
Handicapped WPUs as a Percent of ADM						
1982-83	10.1%	8.9%	8.6%	9.7%	9.3%	10.3%
1988-89	11.1%	11.7%	10.8%	12.0%	12.8%	14.1%
Absolute Change (Percentage Points)	+1.0pp	+2.8pp	+2.2pp	+2.3pp	+3.5pp	+3.8pp
Special Purpose Optional WPUs as a Percent of ADM						
1982-83	3.5%	3.4%	3.3%	3.5%	3.8%	4.0%
1988-89	2.7%	2.8%	2.6%	2.7%	2.9%	3.1%
Absolute Change (percentage Points)	- .8pp	- .6pp	- .7pp	- .8pp	- .9pp	- .9pp

TABLE 4
(Continued)
Change Between 1982-83 and 1988-89in Pupil Weighted Quartile Averages for Demographic Revenue Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Revenue Variables						
Local M&O Revenue per Weighted ADM						
1982-83	$ 357	$ 306	$ 370	$ 492	$ 503	$1,086
1988-89	$ 287	$ 382	$ 451	$ 522	$ 676	$1,300
Change in Dollars	- $ 70	+ $ 76	+ $ 81	+ $ 30	+ $173	+ $214
Calculated Property Tax Rate						
1982-83	.023552	.020256	.022947	.024388	.019829	.022392
1988-89	.004106	.004943	.004818	.005045	.005092	.004634
Change Factor	.174	.244	.210	.207	.257	.207
State M&O Revenue per Weighted ADM						
1982-83	$1,292	$1,200	$1,200	$1,114	$1,092	$ 749
1988-89	$1,557	$1,595	$1,451	$1,431	$1,291	$ 959
Change in Dollars	+ $265	+ $395	+ $251	+ $317	+ $199	+ $210
Sum of Local and State M&O Rev. per Weighted ADM						
1982-83	$1,649	$1,506	$1,570	$1,606	$1,595	$1,835
1988-89	$1,845	$1,976	$1,902	$1,953	$1,966	$2,259
Change in Dollars	+ $196	+ $470	+ $332	+ $347	+ $371	+ $424

TABLE 4

(Continued)

Change Between 1982-83 and 1988-89in Pupil Weighted Quartile Averages for Demographic Revenue Variables for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Revenue Variables (Continued)						
Local Capital Revenue per Weighted ADM						
1982-83	$ 226	$ 202	$ 229	$ 236	$ 297	$ 449
1988-89	$ 24	$ 37	$ 83	$ 107	$ 123	$ 236
Change in Dollars	- $202	- $165	- $146	- $129	- $164	- $213
Other Capital Revenue per Weighted ADM						
1982-83	$ 89	$ 175	$ 176	$ 340	$ 292	$ 479
1988-89	$ 54	$ 93	$ 5	$ 36	$ 79	$ 663
Change in Dollars	- $ 35	- $ 82	- $171	- $304	- $213	+ $184
State Capital Revenue per Weighted ADM						
1982-83	$ 97	$ 36	$ 66	$ 16	$ 23	$ 9
1988-89	$ 39	$ 41	$ 4	$ 23	$ 1	$ 5
Change in Dollars	- $ 58	+ $ 5	- $ 62	+ $ 17	- $ 5	- $ 4

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

TABLE 5

1988-89 Pupil Weighted Quartile Averages for Special Purpose Optional Program and Special Purpose Program Revenue per Weighted ADM for Utah School Districts Ranked by Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Property Wealth per Weighted ADM	$ 49,383	$ 55,943	$ 69,276	$ 79,206	$101,924	$235,970
Special Purpose Optional Program Revenue per Weighted ADM	$ 29	$ 30	$ 28	$ 29	$ 30	$ 31
Special Purpose Program Revenue per Weighted ADM (Excluding Trans.)	$ 163	$ 142	$ 146	$ 139	$ 175	$ 182

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

TABLE A-1
Definition and Characteristics of Wealth Categories and Distribution of Districts Among Wealth Categories for Uath School Districts in 1982-83, 1985-86,and 1988-89

For the purposes of this analysis, the 40 Utah school districts were place in one of five wealth categories (four quartiles, with the fourth [wealthiest] quartile divided into two parts) based on their relative property wealth per weighted pupil. Each quartile contains approximately the same number of pupils (25 percent of all ADM in the state); the lowest and highest wealth quartiles were divided into two categories containing approximately equal numbers of pupils (12.5 percent of all ADM in the state). Property wealth is based on unequalized figures. Weighted pupils is the sum of ADM and WPUs for small districts and handicapped pupils. Over the period covered by the analysis, 1982-83 to 1988-89, some districts shifted from one wealth category to another due to changes in relative wealth; however, 25 districts remained in the same category (of the six categories) and 31 districts remained in the same quartile for all three years.

Wealth categories are designated as follows:

1L = districts with very low wealth

1H = districts with low wealth

2 = districts with moderately low wealth

3 = districts with moderately high wealth

4L = districts with high wealth

4H = districts with very high wealth

In the table below, the definition of each wealth category is indicated for each year and the number of districts in each category, the number of ADM enrolled by districts in each category, and the proportion of all pupils in the state enrolled by districts in each category are shown.

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Minimum and Maximum Property Wealth per Weighted Pupil, by Year						
1982-83						
Minimum	$ 7,694	$ 10,652	$ 11,884	$ 14,441	$ 17,904	$ 31,815
Maximum	$ 10,596	$ 10,780	$ 12,927	$ 17,791	$ 28,839	$ 91,952

TABLE A-1

(Continued)

Definition and Characteristics of Wealth Categories and Distribution of Districts Among Wealth Categories for UathSchool Districts in 1982-83, 1985-86,and 1988-89

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Minimum and Maximum Property Wealth per Weighted Pupil, by Year (Continued)						
1985-86						
Minimum	$ 8,194	$ 10,914	$ 12,574	$ 15,067	$ 17,853	$ 33,339
Maximum	$ 10,846	$ 11,656	$ 14,984	$ 16,438	$ 25,914	$341,665
1988-89						
Minimum	$ 41,122	$ 55,890	$ 61,271	$ 74,294	$ 87,078	$ 140,531
Maximum	$ 50,922	$ 59,030	$ 73,990	$ 85,431	$116,100	$1,114,273
Number of Districts in Each Wealth Category by Year						
1982-83	4	3	6	7	9	11
1985-86	4	3	5	6	11	11
1988-89	5	2	5	6	10	12
Number of ADM in Each Wealth Category by Year						
1982-83	49,705	57,583	100,312	96,119	49,030	53,927
1985-86	50,147	55,854	118,208	115,007	57,453	55,908
1988-89	58,336	55,867	118,544	127,411	56,087	61,464
Proportion of all ADM in Each Wealth Category by Year						
1982-83	12.2%	14.2%	24.7%	23.6%	12.1%	13.3%
1985-86	11.1%	12.3%	26.1%	25.4%	12.7%	12.4%
1988-89	12.2%	11.7%	24.8%	26.7%	11.7%	12.9%

TABLE A-1
(Continued)

Definition and Characteristics of Wealth Categories and Distribution of Districts Among Wealth Categories for UathSchool Districts in 1982-83, 1985-86,and 1988-89

Listed below are all districts and the wealth category in which they were place in 1982-83, 1985-86, and 1988-89.

District	Year		
	1982-83	1985-86	1988-8
Alpine	1H	1L	1L
Beaver	3	4L	4L
Box Elder	4L	4L	4L
Cache	1H	1L	1L
Carbon	4L	4L	4L
Daggett	4H	4H	4H
Davis	1L	1H	1H
Duchesne	4H	4H	4H
Emery	4H	4H	4H
Garfield	4L	4L	2
Grand	4H	4H	4H
Granite	3	3	3
Iron	4L	4L	4L
Jordan	2	2	2
Juab	4L	4L	4L
Kane	3	4L	4L
Millard	4L	3	4L
Morgan	3	3	3
Nebo	1H	2	2
No. Sanpete	2	2	2
No. Summit	4H	4H	4H
Park City	4H	4H	4H
Piute	2	1L	1L
Rich	4H	4H	4H
San Juan	4H	4H	4H
Sevier	3	3	3
So. Sanpete	1L	1H	1L
So. Summit	4H	4H	4H
Tintic	1L	1L	1L
Tooele	2	2	3

TABLE A-1

(Continued)

Definition and Characteristics of Wealth Categories and Distribution of Districts Among Wealth Categories for UathSchool Districts in 1982-83, 1985-86,and 1988-89

District	Year 1982-83	1985-86	1988-8
Uintah	4H	4H	4H
Wasatch	4L	4L	4L
Washington	2	3	3
Wayne	1L	1H	1H
Weber	2	2	2
Salt Lake	4H	4H	4H
Ogden	4L	4L	4L
Provo	3	3	3
Logan	3	4L	4L
Murray	4L	4L	4H

TABLE A-2
1982-83 Pupil Weighted Quartile Averages for Demographic and Revenue Variables for Utah School Districts Ranked Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Demographic Variables						
Property Wealth per Weighted ADM	$ 10,192	$ 10,726	$ 12,262	$ 15,522	$ 19,690	$ 41,354
Small School WPUs as a Percent of ADM	1.6%	0.0%	1.1%	1.0%	3.2%	4.3%
Handicapped WPUs as a Percent of ADM	10.1%	8.9%	8.6%	9.7%	9.3%	10.3%
Special Purpose Optional WPUs as a Percent of ADM	3.5%	3.4%	3.3%	3.5%	3.8%	4.0%
Revenue Variables						
Local M&O Revenue per Weighted ADM	$ 357	$ 306	$ 370	$ 492	$ 503	$1,086
Local Property Tax as a Percent of Local M&O Rev.	75.1%	77.5%	83.6%	85.1%	87.2%	91.2%
Calculated Property Tax Rate	.023552	.020256	.022947	.024388	.019829	.022392
State M&O Revenue per Weighted ADM	$1,292	$1,200	$1,200	$1,114	$1,092	$ 749
Sum of Local and State M&O Rev. per Weighted ADM	$1,649	$1,506	$1,570	$1,606	$1,595	$1,835

TABLE A-2
(Continued)
1982-83 Pupil Weighted Quartile Averages for Demographic and Revenue Variables for Utah School Districts Ranked Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Revenue Variables (Continued)						
Federal M&O Revenue per Weighted ADM	$ 82	$ 45	$ 73	$ 91	$ 167	$ 76
P.L. 874 Revenue as a Percent of Federal Revenue	2.1%	0.0%	0.6%	0.1%	0.5%	2.6%
Local Capital Revenue per Weighted ADM	$ 226	$ 202	$ 229	$ 236	$ 297	$ 449
Other Capital Revenue per Weighted ADM	$ 89	$ 175	$ 176	$ 340	$ 292	$ 479
State Capital Revenue per Weighted ADM	$ 97	$ 36	$ 66	$ 16	$ 23	$ 9

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education

TABLE A-3
1985-86 Pupil Weightred Quartile Averages for Demographic and Revenue Variables and Utah School Districts Ranked Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Demographic Variables						
Property Wealth per Weighted ADM	$ 10,658	$ 10,943	$ 13,138	$ 15,681	$ 21,461	$ 56,109
Small School WPUs as a Percent of ADM	1.3%	1.0%	0.4%	0.7%	3.8%	4.1%
Handicapped WPUs as a Percent of ADM	10.3%	11.8%	10.5%	13.4%	11.2%	12.3%
Special Purpose Optional WPUs as a Percent of ADM	4.3%	4.2%	4.1%	4.3%	4.6%	4.8%
Revenue Variables						
Local M&O Revenue per Weighted ADM	$ 302	$ 367	$ 390	$ 492	$ 548	$1,277
Local Property Tax as a Percent of Local M&O Rev.	77.7%	78.2%	79.4%	86.9%	88.8%	90.3%
Calculated Property Tax Rate	.019831	.023264	.021212	.024099	.019804	.020013
State M&O Revenue per Weighted ADM	$1,432	$1,468	$1,403	$1,318	$1,304	$ 863

TABLE A-3

(Continued)

1985-86 Pupil Weightred Quartile Averages for Demographic and Revenue Variables and Utah School Districts Ranked Property Wealth per Weighted ADM*

	Property Wealth Quartiles					
	First				Fourth	
	1st-Low	1st-High	Second	Third	4th-Low	4th-High
Revenue Variables (Continued)						
Sum of Local and State M&O Rev. per Weighted ADM	$1,735	$1,835	$1,793	$1,810	$1,852	$2,140
Federal M&O Revenue per Weighted ADM	$ 55	$ 96	$ 78	$ 69	$ 95	$ 186
P.L. 874 Revenue as a Percent of Federal Revenue	0.0%	2.0%	0.7%	0.0%	0.7%	2.4%
Local Capital Revenue per Weighted ADM	$ 244	$ 212	$ 352	$ 394	$ 367	$ 586
Other Capital Revenue per Weighted ADM	$ 117	$ 97	$ 152	$ 152	$ 178	$ 402
State Capital Revenue per Weighted ADM	$ 63	$ 68	$ 17	$ 24	$ 6	$ 9

* Weighted ADM is based on the sum of ADM, WPUs for small schools, and WPUs for handicapped pupils.

Source: Based on data provided by the Utah State Office of Education.

The Public School Finance Formula

Schools in Utah are financed through a "foundation" type program based on weighted pupil units (WPU) with a guaranteed yield. Under this type of plan, the state establishes a minimum guaranteed level of funding for each pupil and then participates in funding where locally generated revenues are inadequate to meet the minimum per-pupil funding level. Maintenance and operations are funded under the Minimum School Program, while capital facilities and debt service are funded separately.[5]

Funding of Maintenance and Operations (M&O)

In Utah, funds are derived through individual state income taxes, the property tax, corporation franchise taxes, mineral severance taxes, lease income from school lands, funds from federal sources, and from tuition and fees. Funds are equalized and distributed to school districts in several ways, including the use of mathematical formulas, flat grants, and direct reimbursements.

The Basic Levy. At this time, the guarantee amount is $1,346 per pupil. It should be noted that the 1988-89 guarantee amount of $1,240 is used throughout the present study. This is because 1988-89 data, the latest data available at the inception of the study, were used. State aid is the guaranteed amount multiplied by the number ofweighted pupil units (WPUs) minus the yield of a local property tax. The base levy is .004656* times 100% of the assessed valuation of taxable property. Property tax revenues collected under the state supported basic program in excess of the guarantee are recaptured and channeled to the Uniform School Fund.

The Voted Leeway. To support the M&O program, districts may also place a voted leeway of up to .002 of assessed valuation before the electorate. The state guarantees $19.00 per WPU for the first .0004 of the voted leeway levy up to .0016.

Board-voted Levies. Other board-determined taxes requiring no vote, with the maximum rate for each, appear below.

Special Transportation	.0002
Recreation	No Limit
Tort Liability	.0001
P.L. 874 monies	(Reported by State, paid by Federal Government)

Districts may choose whether to participate in the school building state supported program. Those that do must levy a property tax at the rate of .0027 of assessed value. When the proceeds of this levy equal or exceed the amount authorized under the building program, the state contributes no funds. When the proceeds fall below the authorized amount, districts may qualify for participation in the state Continuing or Critical Aid Program.

Critical Building Aid Levy. This is for a limited number of districts (usually no more than two or three at a time) and may be used only for capital outlay and debt service. To qualify for paricipation in the critical aid program, districts must levy a property tax at the rate of .00351. To receive advance funds under the Revolving Loan Fund, districts must bond to 95% of 2.6% of assessed valuation and agree to repay the funds within 5 years.

* The "mill" is no longer used in Utah property assessment. Due to reassessment in 1986, the post-1986 equivalent of 1 mill is .0002. The base levy of .004656, for example, equates to 23.28 mills.

Capital Outlay and Debt Service

Local districts are primarily responsible for funding capital outlay and debt service through the property tax. Districts contribute approximately 90% of capital outlay funds, the state approximately 10%. Additional funds may be raised through three separate levies.

(a) Capital outlay and debt service levy of 002.

(b) A levy to raise an amount equivalent to 10% of the dollar amount of the Basic Program under the Minimum School Program. This is referred to as the "10% of the Basic" levy, and the proceeds from it may be used for capital outlay, debt service, textbooks, supplies, or equipment.

(c) Capital outlay voted leeway of up to .002. Revenues generated for capital outlay and debt service are restricted to those uses.

School districts may borrow money through the use of tax anticipation notes and the sale of bonds. State law authorizes a district to incur debt when (a) debt is equal to total revenues, and (b) additional revenue is necessary. District bonded indebtedness is limited to 4% of the state equalized-assessed valuation of taxable property.

Program Expenditures

The school finance budget consists of 6 major program classifications with a total of 51 required line items. The major classifications are briefly discussed below. Current line item names and allocations may be examined by consulting Appendix B of this document.

Regular Basic School Programs

Included in this classification are budgeted expenditures for basic K-12 programs, professional staff salaries, administrative expenses, and the special allocation for Necessarily Existent Small Schools.

Special Purpose Optional Programs

There are 15 Special Purpose Optional Programs. Districts can select those which best meet the needs of the district and fund them according to district priorities. Included among the 15 programs are Instructional Media Centers, Community Education, Education Field Trips, Elementary Music, and Bilingual Education.

Restricted Basic School Programs

This classification includes 13 required line items within 7 programs. The 7 programs are (a) Programs for the Handicapped, (b) Vocational Education, (c) Youth-in-Custody, (d) Adult High School Completion, (e) Accelerated Learning Programs, (f) Programs for At-Risk Students, and (g) Private School Driver Education.

Related to Basic Program

This program provides separate budget accounting for Social Security, retirement, and adjustments when necessary in insurance and retirement programs.

Special Purpose Programs

Eleven programs are included in this classification. It provides budget accounting for Utilities and Insurance, Pupil Transportation, Career Ladders, and programs that are unique, individualized, or one-time. Some of these latter programs are Experimental Programs, Outcome-Based Education, the Productivity Study, and Incentives for Excellence.

Voted Leeway Program

With the approval of voters, a school district may levy up to .002 per dollar of assessed valuation to improve the quantity and/or quality of educational programs available to the children of the district. The voted leeway is supported, in part, by state funds to encourage districts to participate in this program.

Problems With the School Finance Formula

The Utah school finance program was thoroughly examined in 1973. A result of that study was a new finance formula and a budget consisting of 20 required line items. Since 1973, required line items have more than doubled in number, an effect that can be attributed to significant changes in federal and state law, the advance of technology, and shifts in the state's demography. The present study examined the impact of that growth within the contexts of taxpayer and pupil equity. First, it sought to describe how the growth in programs, quantitatively and qualitatively, has influenced funding distribution patterns. Second, an attempt was made to determine how changes in statutory law during the period impacted school finance and whether, as a result, changes in the finance formula are required.

Of specific interest was whether the permissive taxes—those assessed and collected by districts at different rates—are reasonable and equitable. In Utah, these taxes are district voted leeways and special taxes for capital outlay and debt service. They are legally authorized taxes that districts may levy **in addition to** the state-mandated minimum levy.

Preliminary findings suggested that (a) formula changes have had significant consequences for distribution patterns, and that these changes do not correlate highly with demographic variations, and (b) variations in basic tax rates **and** voted leeway rates may be disequalizing.

As noted in the introduction, the entire school finance program was subject to review in the present study. But in view of the preliminary findings, the Utah School Finance Task Force's Policy Committee determined that 15 components of the school finance formula needed serious examination with respect to both sides of the equity question and that recommendations for change might be in order. Each of the 15 finance formula components was examined with respect to its mathematical formula and the relevant statute and state board policy. The components examined are listed below.

1. Capital Outlay and Debt Service.
2. Voted Leeway for Maintenance and Operations.
3. Teacher Career Ladders.
4. The Necessarily Existent Small Schools Distribution Formula.
5. Adult High School Completion Time Accounting and Funding Formulas.
6. The Block Grant Experimental Program.
7. Social Security and Retirement Funding.
8. Teacher Incentives Plans.
9. The Special Purposes Program.
10. Youth in Custody Accounting and Funding Formulas.
11. Utilities and Insurance programs.
12. The Basic Minimum School Program.
13. Special Purpose Optional Programs.
14. Transportation Funding Formula.
15. Special Education.

Findings produced by the study for each of the 15 areas or components are presented below. They are arranged in the following order:

1. A brief definition of the problem.
2. Background information.
3. Arguments in favor of change.
4. Arguments opposing change.
5. Alternatives.
6. Recommendations.

Many of the recommendations produce revenue gains and losses for certain districts. The Task Force recommends that substantial revenue gains and losses resulting from formula changes be phased in over three years.

The Courts and Public School Finance

The landmark case of ***Brown v. Board of Education of Topeka*** in 1954 served as a major turning point in the nation's attitude toward education in general and in students' rights in particular. Then, beginning in 1971, using the foundation laid in ***Brown***, the focus was expanded to include funding equity. Litigation grounded in the same principles continues in 1990.

Brown v. Board of Education of Topeka, 1954[6]

The ***Brown*** decision invalidated the "separate but equal" concept established by the United States Supreme Court's 1896 decision in ***Plessy v. Ferguson***. In doing so, the Court found the "inherent inequality" between separate schools for black and white children to be a violation of the right to equal protection of the laws guaranteed by the 14th Amendment to the Constitution. In ***Brown*** the Court said, in part,

> In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has under-taken to provide it, is a right which must be made available **to all on equal terms.**

The ***Brown*** case solidified the notion that inequities in public education could be challenged by drawing on the equal protection clause. While the case was about racial segregation, the same concept—equal protection—is used to challenge inequities in public school finance in state courts.

Serrano v. Priest, California, 1971

The concept of "wealth neutrality" was enunciated in the ***Serrano*** decision, and it continues to guide judicial decisions to this day. This principle holds that the quality of a child's education cannot be solely dependent on local taxing ability. Great variation in property values between counties or school districts can result in per-pupil spending disparities great enough to constitute illegal discrimination. Such disparities have been held by the courts to violate the equal protection clauses of state constitutions.

San Antonio Independent School District v. Rodriguez, Texas, 1973[7]

The ***Rodriguez*** decision set an extremely important precedent, that education is not a fundamental right guaranteed by the U.S. Constitution. This means that the Supreme Court will not entertain arguments that state education funding formulas violate the 14th Amendment's equal protection clause, and it effectively places school finance questions in the state courts.

Edgewood Independent School District v. Kirby, Texas, 1989[8]

The ***Edgewood*** case was similar to ***Serrano*** and eight other cases which were decided in the seventeen year period between the two cases. At issue was great funding disparities brought about by unequal property wealth between districts. The state of Texas had attempted over a period of years to bring more equity to the poor districts, but the court said the efforts were inadequate.

The Texas State Legislature and the Governor have been unable to reach agreement on funding the changes made necessary by the court's decision. This deadlock has had a profound effect on education, both present and future, in the state of Texas. The court recently threatened to appoint a Court Master to rewrite the finance formula, a task the court has ordered accomplished by September 1991. To date, efforts to reform Texas school finance, including Senate Bill 1, fail to meet the Supreme Court's mandate for restructuring.

Rose v. The Council for Better Education, Kentucky, 1989[9]

The ***Rose*** decision in Kentucky was unprecedented in that Kentucky's entire public K-12 education system was ruled unconstitutional. What makes this case similar to the others, in part, is that the case was brought by poor school districts with disadvantaged students. It moves beyond other cases in that it draws district-to-district comparisons on the bases of educational program quality **and** per-pupil funding. It is significant to note that in ***Rose*** the court included specific implementing language in the decision, ordinarily a responsibility of the legislature. This makes the ***Rose*** and ***Edgewood*** cases similar in one respect: design and control of a substantial portion of the education systems in those states now rests with the courts.

Abbott v. Burke, New Jersey, 1990[10]

The ***Abbott*** case, brought in 1985, was decided in June, 1990. The decision in this case explicitly articulates the important concept of **post-decision court control**. Speaking of an earlier case, the administrative law judge who heard this case said, in part,

> The extraordinary action (court-ordered increases in per-pupil funding) was grounded in the undeniable principle when legislative inaction threatens to abridge a fundamental right such as education, the judiciary must afford an appropriate remedy.

The New Jersey Supreme Court cited the above language in striking down the state's school finance system. The court in ***Abbott*** declared the state's school finance formula unconstitutional due to finance formula effects in a **limited** number of districts.

Current and Future Litigation

Litigation is currently under way or planned in 12 states.[11] In 9 of those states, the entire funding formula is being challenged, usually on the grounds that spending patterns fail to meet state constitution equal protection clauses. Increasingly, the issue of **adequate** funding is appearing in the complaints along with the issue of **equity.** Such suits are currently in the courts in Alaska, Indiana, and Connecticut. In addition to these broad issues, the adequacy of school buildings and voted leeway inequities are being challenged.

Equalization of the Capital Outlay Levy

Study Assignment

Should capital outlay revenues be equalized among all school districts?

Background Information

Current Utah school finance law provides for seven different sources of funds for capital outlay and debt service. They are as follows:

Method 1: A local board of education-approved tax rate of up to .002 which is based on assessed value of taxable property within the boundaries of a school district.

Method 2: An additional local property tax levy which may have a maximum dollar equivalent of 10% of the school district's basic program funds received for operating purposes under the Minimum School Program. In Utah, this provision is known as the "Ten Percent of the Basic" levy. The rate levied under this provision is determined by the local school board.

Method 3: Voter-approved bond sales. This method produces long-term bonded indebtedness which is repaid through the property taxes noted in the two revenue generation methods discussed above.

Method 4: A voter-approved capital outlay voted leeway tax rate of up to .002. This levy has been used by only one school district for one year. No school districts in the state are using this levy at the present time.

Method 5: The state school building aid appropriation which contains two different fund qualification and distribution formulas. Both parts of this appropriation are distributed to school districts which have limited capital outlay and debt service capacity due to their relatively low property wealth. They are the "poor" districts for which this fund produces some equalization through formula-based grants. The current appropriation for this fund is $6,458,000.

Method 6: Allows the use of revenues from the Local Program for operation, capital outlay, and debt service.

Method 7: A limited state Revolving Loan Fund. The eligibility criteria for use of these funds is very restrictive. No more than 2 or 3 school districts qualify for the funds at any given time. The current amount in this fund available to districts is $1.7 million.

The task force is studying capital outlay and debt service equalization because the state recognizes the funding problems faced by districts that have relatively low property wealth. Some of these property-poor districts encounter serious difficulties in paying for minimal capital outlay and debt service under the present method of local revenue acquisition. Several of the poor districts, which are in counties with relatively high per capita incomes, argue that their state income taxes are completely equalized into the minimum school program and that they are left to struggle with capital needs through their own low property tax base and very limited state building aid. Another aggravation for poor districts is the problem of being able to pay little or none of the allowable costs for equipment replacement, textbooks, and supplies from the capital outlay 10% of the basic program funds due to limited local capital outlay tax revenues and, in several cases, high bond debt.

In FY 1989, a statewide .0002 tax rate raised $9,144,740 for public education according to the latest figures supplied by the Utah State Tax Commission. This figure is based on an adjusted statewide assessed valuation of $47,191,348,490 and a 96.89% collection rate. Pure equalization of a statewide property tax for capital outlay and debt service (with distribution based on kindergarten, grades 1-12, and small schools WPUs) would have increased funds for 23 school districts and decreased funds for 17 others. The ratio of districts that gain or lose funds would be constant, regardless of the tax rate if the property taxes collected for capital outlay and debt service were strictly equalized.

If some significant form of equalization of local capital outlay and debt service tax funds is approved by the legislature, property tax-wealthy school districts in the state would experience a significant redistribution of tax revenue from this source to poor districts. Pure capital outlay equalization, without any significant infusion of state funds, would cause some very difficult downward financial adjustments for the school districts that are wealthy in terms of assessed valuation per student. An alternative means of equalization would be appropriating more money for property poor districts.

Arguments For Capital Outlay Equalization

1. Local school district education facilities should not be dependent upon local property tax wealth per student. The wealth of the state as a whole should be the basis for financing and maintaining education facilities.

2. Education facilities should be somewhat comparable for each student regardless of the property wealth of the local school district.

3. Funding ability among school districts for school facility capital outlay and debt service should be a function of the number of students in the district.

4. School districts should not be penalized in their ability to construct adequate school facilities if their own local taxing ability for such facilities is relatively low.

5. Recent court cases concerning financial equalization among school districts within the same state have identified equity in school facilities as an issue that must be resolved. The basic legal premise is that equal tax effort by school districts must produce somewhat equal tax revenue for the districts regardless of their tax base wealth.

Arguments Against Capital Outlay Equalization

1. The current method of acquiring tax revenues for school facilities primarily utilizes the property tax for facility construction and debt service and has provided relatively good school facilities across the state.

2. State school building aid may be adequate to provide a sufficient level of capital outlay and debt service to the poorest districts.
3. Pure equalization of capital outlay and debt service taxes would cause significant, aggravating revenue redistributions from property tax-affluent districts to poor school districts.
4. Capital outlay and debt service equity has not become a significant issue in most court cases that deal with school finance equalization.
5. Wealthy districts should be able to use their taxing ability to benefit their school children.

Alternatives

1. Keep the present method of financing capital outlay and debt service needs.
2. Increase the level of state school building aid and the amount in the state revolving local fund to help school districts that are below the state average per pupil expenditure for capital outlay and debt service.
3. Equalize all capital outlay and debt service revenue through a required local tax similar to the .004656 rate levied on property for maintenance and operation. Distribute these funds among districts on the basis of weighted pupil units or average daily membership.
4. Equalize part of the capital outlay and debt service revenue through a required local tax similar to the .004656 rate levied on property for maintenance and operation and through a state contribution similar to the one for maintenance and operation. Distribute these funds among districts on the basis of weighted pupil units or average daily membership. Allow local boards of education to continue an optional capital outlay and debt service tax such as the 10% of basic program.
5. Establish a capital outlay foundation fund to replace the current state Critical and Continuing Aid Programs.
    a. Augment state school building funds by $3.8 million per year over the next four years.
    b. Maintain this fund at a level which guarantees that each district receives the state average yield of $220 per ADM with each district levying a tax rate of .002.
    c. Establish an emergency capital fund in the amount of $1 million.

Capital Outlay and Equalization Recommendation

Adopt alternative 5 described above, with funds distributed as shown in Table 6.

TABLE 6
Foundation Base for Capital Outlay
USOE Recommendation

DISTRICT	ADJUSTED ASSESSED VALUATIONS	TAX RATE .002000	TOTAL WEIGHTED ADM	TOTAL DISTRICT YIELD	STATE AVERAGE AMOUNT	STATE SUPPLEMENT PER ADM	STATE SUPPLEMENTS TO = ST AVG
1 Alpine	$ 2,103,013,106	4,206,026	37,738.324	$ 111	$ 220	$ 109	$ 4,096,405
2 Beaver	211,380,798	422,762	1,304.411	324	220	0	0
3 Box Elder	1,249,830,393	2,499,661	10,664.440	234	220	0	0
4 Cache	718,904,679	1,437,809	11,996.644	120	220	100	1,201,452
5 Carbon	693,118,135	1,386,236	5,200.420	267	220	0	0
6 Daggett	114,499,177	228,998	177.598	1,289	220	0	0
7 Davis	3,431,520,076	6,863,040	52,802.770	130	220	90	4,753,569
8 Duchesne	779,012,973	1,558,026	4,196.637	371	220	0	0
9 Emery	1,473,930,830	2,947,862	3,504.330	841	220	0	0
10 Garfield	145,444,496	290,889	1,087.867	267	220	0	0
11 Grand	244,415,635	488,831	1,462.829	334	220	0	0
12 Granite	6,880,187,769	13,760,376	75,842.159	181	220	39	2,924,899
13 Iron	575,157,794	1,150,316	5,052.763	228	220	0	0
14 Jordan	5,069,951,735	10,139,903	62,782.972	162	220	58	3,672,350
15 Juab	201,278,577	402,557	1,565.400	257	220	0	0
16 Kane	184,914,891	369,830	1,404.384	263	220	0	0
17 Millard	2,807,852,667	5,615,705	3,687.803	1,523	220	0	0
18 Morgan	164,575,167	329,150	1,688.893	195	220	25	42,406
19 Nebo	1,083,445,431	2,166,891	15,938.495	136	220	84	1,339,578
20 No. Sanpete	168,631,730	337,263	2,241.474	150	220	70	155,861
21 No. Summit	196,083,578	392,167	870.291	451	220	0	0
22 Park City	855,770,980	1,711,542	1,707.512	1,002	220	0	0
23 Piute	35,608,796	71,218	363.356	196	220	24	8,721
24 Rich	151,848,114	303,696	535.315	567	220	0	0
25 San Juan	638,424,981	1,276,850	3,368.282	379	220	0	0
26 Sevier	423,392,661	846,785	4,618.440	183	220	37	169,271
27 So. Sanpete	141,177,611	282,355	2,568.303	110	220	110	282,671
28 So. Summit	842,363,025	1,684,726	1,009.929	1,668	220	0	0
29 Tintic	24,933,971	49,868	211.971	235	220	0	0
30 Tooele	652,460,230	1,304,920	7,000.748	186	220	34	235,244
31 Uintah	1,542,563,862	3,085,128	6,344.869	486	220	0	0
32 Wasatch	334,280,880	668,562	2,961.492	226	220	0	0
33 Washington	1,193,032,150	2,386,064	12,492.828	191	220	29	362,358
34 Wayne	56,911,192	113,822	612.590	186	220	34	20,947
35 Weber	2,021,701,613	4,043,403	25,086.370	161	220	59	1,475,598
36 Salt Lake	5,777,447,149	11,554,894	23,963.951	482	220	0	0
37 Ogden	1,388,670,835	2,777,342	11,729.520	237	220	0	0
38 Provo	1,231,550,117	2,463,100	13,284.327	185	220	35	459,452
39 Logan	545,196,669	1,090,393	5,384.029	203	220	17	94,093
40 Murray	972,095,593	1,944,191	6,235.328	312	220	0	0
TOTAL	$ 47,326,580,066	94,653,160	430,690.064	$ 220	$ 8,800	$ 953	$ 21,294,877

Voted and Board Leeways for Maintenance and Operation

Study Assignment

Should the voted and board leeways for maintenance and operation be modified?

Background Information

Current Utah school finance law provides for a local school district property tax which may be levied for maintenance and operation (M & O) purposes, part of which must be voter approved, and part of which a board may levy without voter approval. Under this provision, the state contributes an amount sufficient to guarantee 1.61% of the prior year weighted pupil unit value for each .0002 of the first .0004 per dollar of taxable value and .339% for each additional .0002 per dollar of taxable value raised locally. The total voted leeway for M & O may not exceed .002 per dollar of taxable value.

The study of possible modifications of voted and board leeways for additional operation funding is a result of the problems of (a) poor school districts which have comparatively low assessed valuations for property which limits their ability to gain funds from this source, (b) the disequalizing effects of reliance on the property tax and, therefore, local property wealth, (c) significant state subsidy, beyond the guaranteed amount for the first .0004 of additional Social Security, retirement, and professional staff cost for salaries paid from voted leeway revenues, and (d) the possibility of increased state matching or equalization funds for poor districts.

In FY 1989 the assessed valuation per student ranged from a high of $1,474,197 in South Summit School District to a low of $54,630 in Alpine School District. Another way to view property tax wealth disparities is that a .0002 tax rate in South Summit District would have raised $295 per student in FY 1989 while the same levy in Alpine District would raise $11 per student. Thus, for the same property tax effort as that made in Alpine District, South Summit District would have received 27 times as much per student in local tax revenues during that fiscal year.

Arguments For Voted Leeway Modification

1. Some voted leeway funds are used for salaries. This requires additional state funds to be used for Social Security, retirement, and the professional staff cost factor that is disequalizing for districts that do not have voted leeways.

2. Local voted leeway taxing revenues that are dependent on the property tax wealth of a school district are disequalizing between wealthy and poor school districts that make the same tax effort.

3. School districts should not be penalized in their ability to provide additional operation funds through voted leeways even though their own taxing ability for such revenue acquisition may be comparatively low.

4. Consideration should be given to other tax sources for the purpose of acquiring voted leeway funds.
5. Recent court cases concerning financial equalization among school districts within the same state have identified equity as an issue that must be resolved. The basic legal premise is that equal tax effort by school districts must produce somewhat equal tax revenue for the districts regardless of their tax base wealth.

Arguments Against Voted Leeway Modification

1. The current method of acquiring tax revenues through voted leeways for operation purposes has worked well for a number of years without major problems.
2. State voted leeway guaranteed amounts for tax rates of up to .0004 may be adequate to provide a sufficient level of additional operating funds for the poorest school districts.
3. Local voted leeway funding should not be modified, since the citizens of the school district have agreed to tax themselves in the hope of improving the education opportunities for their children.
4. Voted leeway equity has not become a significant issue in court cases that deal with school finance equalization.
5. Districts should be able to use part of their taxing ability to benefit their school children.

Alternatives

1. Keep the present method of financing voted leeways.
2. Increase the level of state guaranteed funding for the basic percentage and/or the tax rate associated with the voted leeway.
3. Equalize the total voted leeway levy to ensure that equal tax effort produces approximately the same basic revenue per student regardless of the tax base of the district.
4. Allow additional tax sources such as income tax and sales tax to be used as the basis for voted leeways for school districts.
5. Index the amount of revenues raised by voted and board leeways to prior year WPU revenue by setting a limit on the amount that could be raised.

Voted and Board Leeway Recommendation

1. Increase the present state guarantee of the voted and board leeways from $20 to $25 per WPU. Accomplish this by adding $1.25 to the present $20 guarantee amount each year for four years beginning with fiscal year 1992.

2. Adjust the current guarantee rate of 1.61% of the prior year WPU value for each .0002 of the first .0008 of taxable value each year of the four-year phase-in period. The guarantee rate would be the rate reflected by the guarantee amounts in years 1, 2, 3, and 4 of $21.25, $22.50, $23.75, and $25.00, respectively. The guarantee rate would then be indexed at the percentage represented by the $25.00 per .0002 per WPU in year four.
3. Maintain the current cap of .002 on voted and board leeways.
4. Encourage the legislature to extend the guarantee to the entire .002 voted and board leeways.

Career Ladders

Study Assignment

Should the Career Ladder line item in the Minimum School Program (MSP) be made a line item in the Weighted Pupil Unit (WPU) section of the Minimum School Program?[7]

Background Information

The Career Ladder program was originally placed as a non-WPU line item in the Minimum School Program with a specific appropriation that was approximately half of the amount recommended by the committee that studied the concept. The second year after the inception of Career Ladders, the legislature approved a significant increase that raised the total to nearly two-thirds of the study committee recommendation. Since the second year, the career ladder line item has received no increase or very small growth increases in annual appropriations by the legislature.

Arguments For Placing Career Ladders in the WPU Section of the Minimum School Program

1. Career Ladders have become a permanent part of the Minimum School Program and should be recognized as such by making Career Ladders a WPU line item.
2. The same percentage increase allocated for the WPU should be given to the Career Ladder since many of the same inflationary and growth factors that affect the MSP also apply to Career Ladders.

Arguments Against Placing Career Ladders in the WPU Section of the Minimum School Program

1. There are still questions about the appropriate use and placement of the funds allocated for the Career Ladder. Until these questions are resolved, Career Ladders should remain a non-WPU line item.
2. Placement of Career Ladders in the WPU section may cause it to lose its identity as a separate fund dedicated to teacher pay enhancement.

Alternatives

1. Leave Career Ladders as a line item in the non-WPU section of the Minimum School Program.
2. Make Career Ladders a line item in the WPU section of the Minimum School Program.
3. Include the Career Ladder appropriation amount in the value of the WPU without making it a separate line item.

Career Ladders Recommendation

Make Career Ladders a separate line item in the WPU section of the Minimum School Program. The program should receive the same percentage increases as all significant areas of the Minimum School Program. The most direct way to ensure that this happens is by placing Career Ladders in the WPU section as a separate line item.

Necessarily Existent Small Schools

Study Assignment

Should the formula for distribution of Necessarily Existent Small Schools funds be changed?

Background Information

Current Utah law provides for additional funds to be distributed to schools which are determined to be Necessarily Existent Small Schools. The funds may be awarded to four classes of schools: (a) elementary schools, (b) junior high and middle schools, (c) senior high schools, and (d) 7-12 secondary schools. Each classification has a weighted pupil unit (WPU) distribution formula associated with it.

Arguments For Modification of the Necessarily Existent Small Schools Formula

1. Current formulas do not provide enough additional funds for the smallest schools and may include funds for larger schools which do not qualify.
2. Linear regression formulas would approximate small school operating fund requirements much better than current formulas.

Arguments Against Modification of the Necessarily Existent Small Schools Formula

1. The current formulas have worked well for several years with only minor adjustments.
2. School districts have become relatively dependent upon the current distribution formulas for small schools. New small schools distribution formulas would be disruptive to budgeting for districts that experience budget reductions.

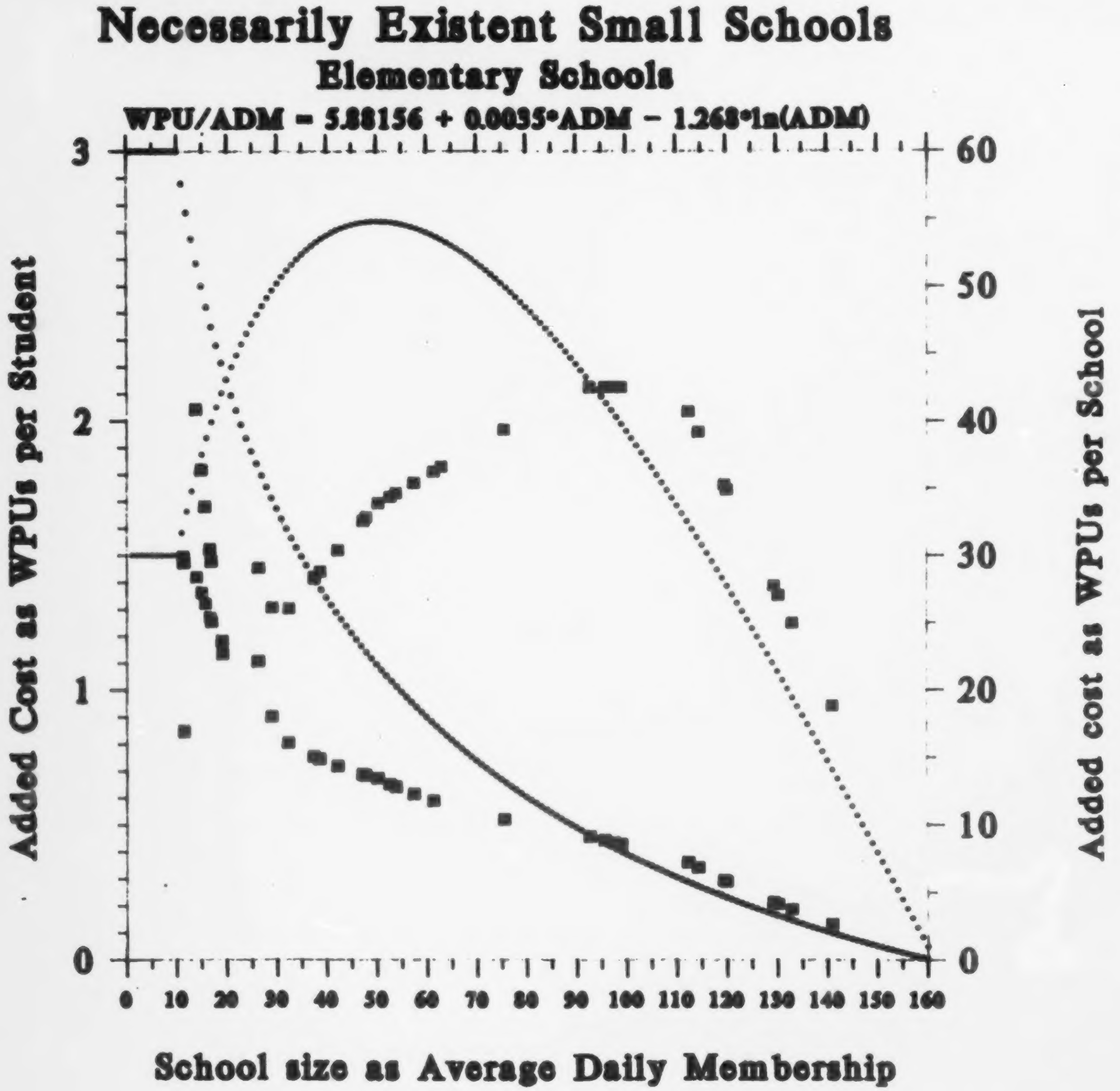
Alternatives

1. Keep the present formulas for distribution of funds for Necessarily Existent Small Schools.
2. Formulate a new set of weights for the different classes of small schools while retaining the basic formula structure.
3. Use linear regression to formulate a new set of distribution formulas that direct more funds to the smallest schools and reduced amounts to the largest schools.

4. Adopt a different type of formula that recognizes several factors such as travel, population density, number of students, teacher requirements, and other factors that are deemed critical.

Necessarily Existent Small Schools Recommendation

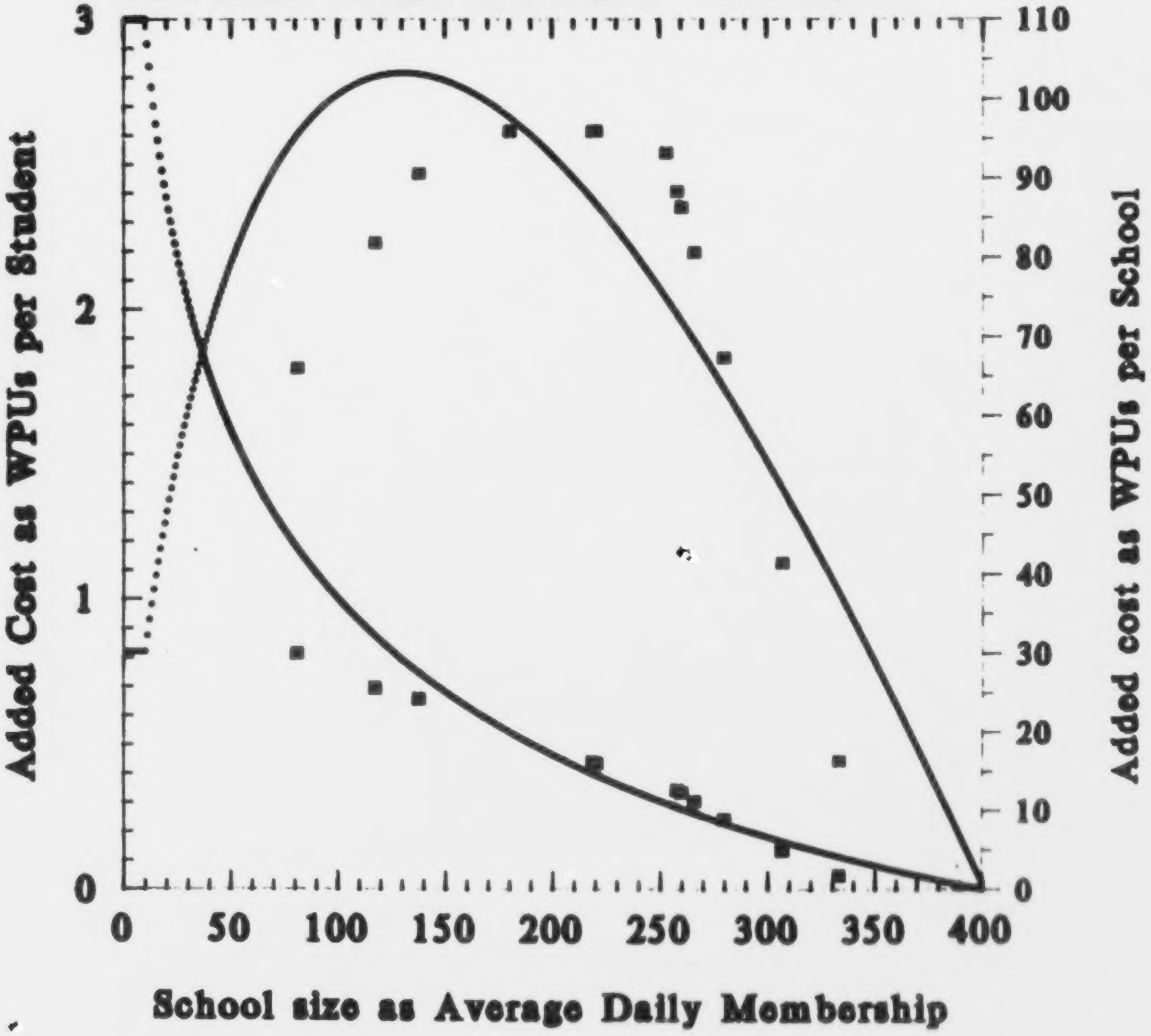
Change generation of Necessarily Existent Small Schools funds to a series of regression functions that allocate more funds to the smallest schools and fewer funds to the largest schools in this category of the Minimum School Program, as shown in the following scattergrams and in Table 7 beginning on page 65. Increases in allocations resulting from the recommendation should be phased in over four years. Losses should be applied to the overall hold-harmless provision recommended by the study.


Necessarily Existent Small Schools
Elementary Schools
WPU/ADM = 5.88156 + 0.0035*ADM − 1.268*ln(ADM)
Added Cost as WPUs per Student
3
2
1
0
Added cost as WPUs per School
60
50
40
30
20
10
0
0
10
20
30
40
50
60
70
80
90
100
110
120
130
140
150
160
School size as Average Daily Membership

Necessarily Existent Small Schools

Junior High and Middle Schools

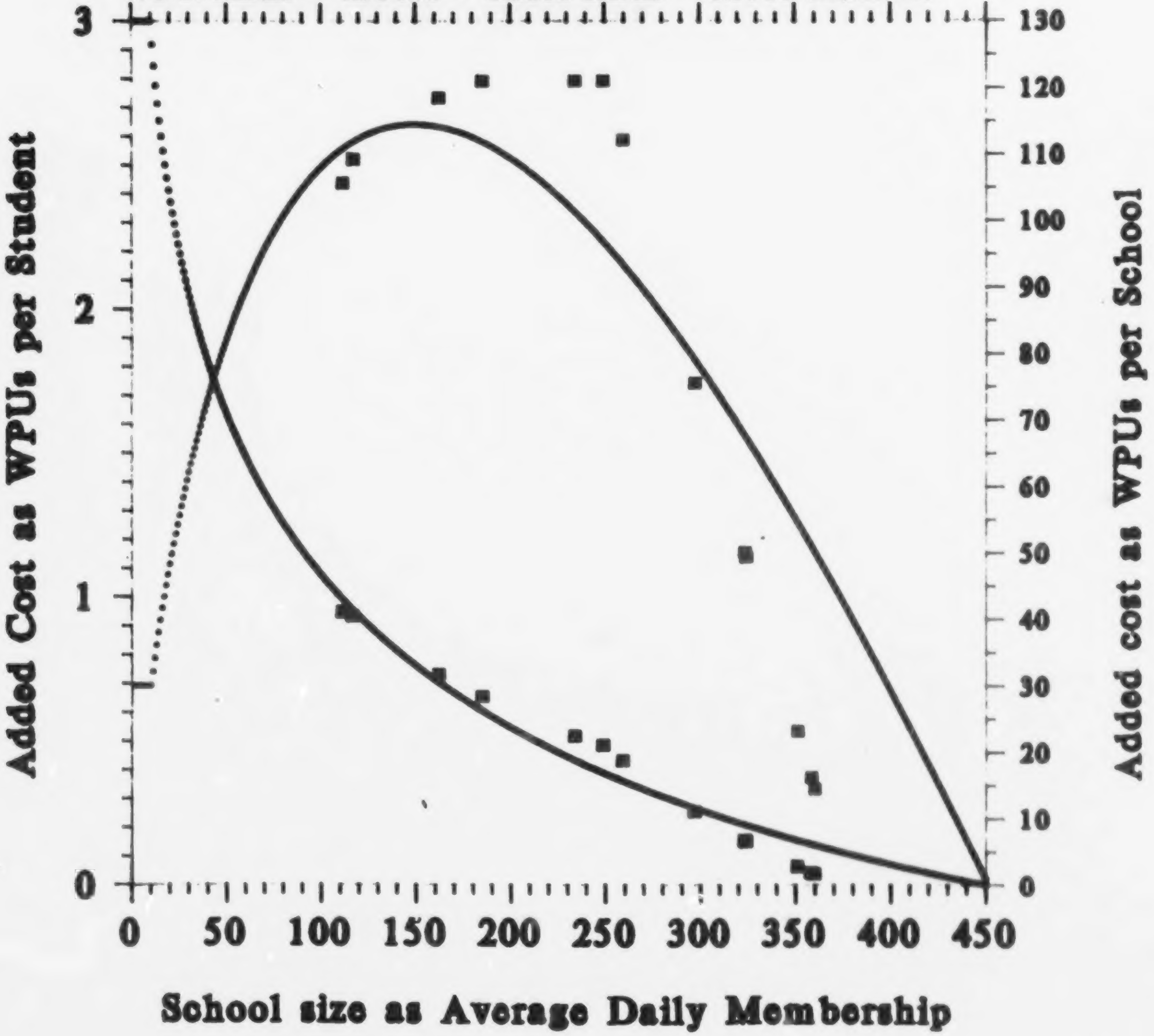
$WPU/ADM = 5.05684 + 0.0008*ADM - 0.897*\ln(ADM)$



Necessarily Existent Small Schools

Four-year High Schools

WPU/ADM = 4.96480 + 0.0006*ADM – 0.8565*ln(ADM)



Necessarily Existent Small Schools

Six-year High Schools

WPU/ADM = 4.91030 + 0.0007*ADM − 0.833*ln(ADM)

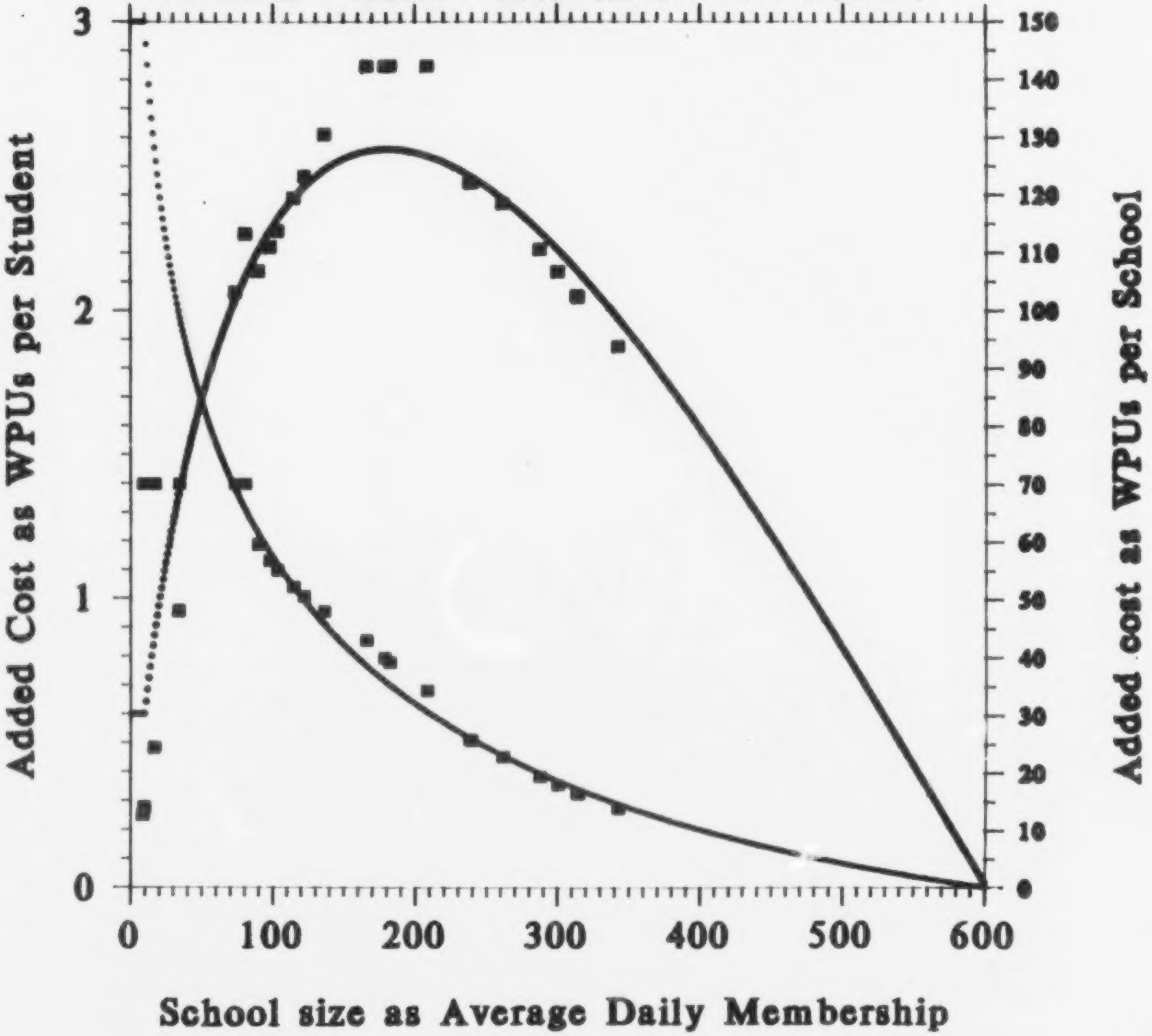


TABLE 7
Necessarily Existent Small Schools
Proposed Formula

FORMULAS

6-YR HIGH WPU/ADM = 4.91030 + 0.007 * ADM - 0.833 * ln(ADM)
4-YR HIGH WPU/ADM = 4.96480 + 0.006 * ADM - 0.8565 * ln(ADM)
JR/MIDDLE WPU/ADM = 5.05684 + 0.008 * ADM - 0.897 * ln(ADM)
ELEMENTARY WPU/ADM = 5.88156 + 0.0035 * ADM - 1.268 * ln(ADM)

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
1	30.00000	30.00000	30.00000	30.00000	30.00000	30.00000	30.00000	30.00000
2	30.00000	30.00000	30.00000	30.00000	15.00000	15.00000	15.00000	15.00000
3	30.00000	30.00000	30.00000	30.00000	10.00000	10.00000	10.00000	10.00000
4	30.00000	30.00000	30.00000	30.00000	7.50000	7.50000	7.50000	7.50000
5	30.00000	30.00000	30.00000	30.00000	6.00000	6.00000	6.00000	6.00000
6	30.00000	30.00000	30.00000	30.00000	5.00000	5.00000	5.00000	5.00000
7	30.00000	30.00000	30.00000	30.00000	4.28000	4.28000	4.28000	4.28571
8	30.00000	30.00000	30.00000	30.00000	3.75000	3.75000	3.75000	3.75000
9	30.00000	30.00000	30.00000	30.00000	3.33000	3.33000	3.33000	3.33333
10	30.00000	30.00000	30.00000	30.00000	3.00000	3.00000	3.00000	3.00000
11	32.12609	32.09363	32.06201	31.67482	2.92055	2.91760	2.91473	2.87953
12	34.18527	34.12413	34.04974	33.27238	2.84877	2.84368	2.83748	2.77270
13	36.17636	36.08437	35.96425	34.77115	2.78280	2.77572	2.76648	2.67470
14	38.10471	37.97986	37.81128	36.17929	2.72177	2.71285	2.70081	2.58424
15	39.97491	39.81533	39.59578	37.50379	2.66499	2.65436	2.63972	2.50025
16	41.79094	41.59484	41.32205	38.75068	2.61193	2.59968	2.58263	2.42192
17	43.55627	43.32200	42.99381	39.92527	2.56213	2.54835	2.52905	2.34855
18	45.27397	44.99994	44.61438	41.03223	2.51522	2.50000	2.47858	2.27957
19	46.94676	46.63147	46.18669	42.07572	2.47088	2.45429	2.43088	2.21451
20	48.57710	48.21911	47.71336	43.05943	2.42886	2.41096	2.38567	2.15297
21	50.16717	49.76510	49.19677	43.98672	2.38891	2.36977	2.34270	2.09461
22	51.71896	51.27149	50.63905	44.86060	2.35086	2.33052	2.30177	2.03912
23	53.23427	52.74013	52.04214	45.68383	2.31453	2.29305	2.26270	1.98625
24	54.71475	54.17273	53.40782	46.45891	2.27978	2.25720	2.22533	1.93579
25	56.16191	55.57082	54.73771	47.18814	2.24648	2.22281	2.18951	1.88751

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
26	57.57715	56.93585	56.03331	47.87363	2.21451	2.18984	2.15513	1.84129
27	58.96173	58.26912	57.29601	48.51735	2.18377	2.15812	2.12207	1.79694
28	60.31686	59.57187	58.52707	49.12109	2.15417	2.12757	2.09025	1.75432
29	61.64363	60.84522	59.72769	49.68654	2.12564	2.09811	2.05958	1.71333
30	62.94308	62.09023	60.89898	50.21525	2.09810	2.06967	2.02997	1.67384
31	64.21615	63.30789	62.04196	50.70869	2.07149	2.04219	2.00135	1.63576
32	65.46374	64.49911	63.15760	51.16822	2.04574	2.01560	1.97367	1.59901
33	66.68670	65.66476	64.24680	51.59512	2.02081	1.98984	1.94687	1.56349
34	67.88582	66.80566	65.31042	51.99059	1.99664	1.96487	1.92089	1.52913
35	69.06183	67.92255	66.34925	52.35575	1.97320	1.94064	1.89569	1.49588
36	70.21543	69.01618	67.36405	52.69169	1.95043	1.91712	1.87122	1.46366
37	71.34730	70.08721	68.35553	52.99940	1.92831	1.89425	1.84745	1.43242
38	72.45805	71.13628	69.32436	53.27983	1.90679	1.87201	1.82433	1.40210
39	73.54827	72.16402	70.27118	53.53389	1.88585	1.85036	1.80183	1.37266
40	74.61854	73.17099	71.19661	53.76243	1.86546	1.82927	1.77992	1.34406
41	75.66937	74.15775	72.10120	53.96628	1.84559	1.80873	1.75857	1.31625
42	76.70129	75.12481	72.98551	54.14619	1.82622	1.78869	1.73775	1.28919
43	77.71477	76.07268	73.85007	54.30290	1.80732	1.76913	1.71744	1.26286
44	78.71028	77.00183	74.69536	54.43713	1.78887	1.75004	1.69762	1.23721
45	79.68826	77.91271	75.52187	54.54954	1.77085	1.73139	1.67826	1.21221
46	80.64912	78.80576	76.33004	54.64076	1.75324	1.71317	1.65935	1.18784
47	81.59327	79.68138	77.12031	54.71142	1.73603	1.69535	1.64086	1.16407
48	82.52110	80.53998	77.89309	54.76210	1.71919	1.67792	1.62277	1.14088
49	83.43297	81.38194	78.64878	54.79336	1.70271	1.66086	1.60508	1.11823
50	84.32924	82.20761	79.38777	54.80574	1.68658	1.64415	1.58776	1.09611
51	85.21025	83.01736	80.11041	54.79976	1.67079	1.62779	1.57079	1.07451
52	86.07633	83.81151	80.81707	54.77591	1.65531	1.61176	1.55417	1.05338
53	86.92778	84.59038	81.50807	54.73468	1.64015	1.59604	1.53789	1.03273
54	87.76492	85.35430	82.18375	54.67652	1.62528	1.58064	1.52192	1.01253
55	88.58803	86.10355	82.84442	54.60188	1.61069	1.56552	1.50626	0.99276
56	89.39739	86.83843	83.49037	54.51119	1.59638	1.55069	1.49090	0.97341
57	90.19328	87.55922	84.12191	54.40485	1.58234	1.53613	1.47582	0.95447
58	90.97596	88.26617	84.73931	54.28326	1.56855	1.52183	1.46102	0.93592
59	91.74567	88.95956	85.34285	54.14681	1.55501	1.50779	1.44649	0.91774
60	92.50266	89.63963	85.93278	53.99587	1.54171	1.49399	1.43221	0.89993
61	93.24717	90.30663	86.50935	53.83079	1.52864	1.48044	1.41819	0.88247
62	93.97942	90.96078	87.07283	53.65192	1.51580	1.46711	1.40440	0.86535
63	94.69963	91.60232	87.62343	53.45961	1.50317	1.45401	1.39085	0.84857
64	95.40803	92.23146	88.16140	53.25416	1.49075	1.44112	1.37752	0.83210
65	96.10480	92.84842	88.68695	53.03590	1.47854	1.42844	1.36441	0.81594

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
66	96.79016	93.45341	89.20030	52.80513	1.46652	1.41596	1.35152	0.80008
67	97.46430	94.04661	89.70166	52.56215	1.45469	1.40368	1.33883	0.78451
68	98.12741	94.62823	90.19123	52.30725	1.44305	1.39159	1.32634	0.76922
69	98.77966	95.19846	90.66921	52.04069	1.43159	1.37969	1.31405	0.75421
70	99.42124	95.75747	91.13578	51.76276	1.42030	1.36796	1.30194	0.73947
71	100.05232	96.30544	91.59115	51.47372	1.40919	1.35641	1.29002	0.72498
72	100.67307	96.84255	92.03548	51.17381	1.39824	1.34504	1.27827	0.71075
73	101.28365	97.36897	92.46895	50.86329	1.38745	1.33382	1.26670	0.69676
74	101.88422	97.88485	92.89173	50.54240	1.37681	1.32277	1.25529	0.68301
75	102.47493	98.39036	93.30399	50.21138	1.36633	1.31187	1.24405	0.66949
76	103.05593	98.88564	93.70589	49.87045	1.35600	1.30113	1.23297	0.65619
77	103.62738	99.37086	94.09758	49.51983	1.34581	1.29053	1.22205	0.64311
78	104.18940	99.84615	94.47923	49.15975	1.33576	1.28008	1.21127	0.63025
79	104.74215	100.31167	94.85098	48.79041	1.32585	1.26977	1.20065	0.61760
80	105.28575	100.76753	95.21297	48.41202	1.31607	1.25959	1.19016	0.60515
81	105.82033	101.21390	95.56535	48.02478	1.30642	1.24955	1.17982	0.59290
82	106.34604	101.65089	95.90825	47.62888	1.29690	1.23964	1.16961	0.58084
83	106.86298	102.07863	96.24182	47.22452	1.28751	1.22986	1.15954	0.56897
84	107.37129	102.49725	96.56618	46.81188	1.27823	1.22021	1.14960	0.55728
85	107.87108	102.90688	96.88145	46.39115	1.26907	1.21067	1.13978	0.54578
86	108.36247	103.30763	97.18778	45.96250	1.26003	1.20125	1.13009	0.53445
87	108.84557	103.69962	97.48528	45.52610	1.25110	1.19195	1.12052	0.52329
88	109.32050	104.08297	97.77406	45.08213	1.24228	1.18276	1.11107	0.51230
89	109.78737	104.45778	98.05425	44.63075	1.23357	1.17368	1.10173	0.50147
90	110.24627	104.82417	98.32597	44.17212	1.22496	1.16471	1.09251	0.49080
91	110.69732	105.18224	98.58931	43.70640	1.21645	1.15585	1.08340	0.48029
92	111.14061	105.53210	98.84440	43.23375	1.20805	1.14709	1.07440	0.46993
93	111.57625	105.87385	99.09134	42.75432	1.19974	1.13843	1.06550	0.45972
94	112.00433	106.20759	99.33023	42.26825	1.19154	1.12987	1.05670	0.44966
95	112.42495	106.53342	99.56118	41.77569	1.18342	1.12140	1.04801	0.43974
96	112.83820	106.85143	99.78429	41.27678	1.17540	1.11304	1.03942	0.42997
97	113.24418	107.16172	99.99965	40.77167	1.16747	1.10476	1.03092	0.42033
98	113.64296	107.46438	100.20737	40.26048	1.15962	1.09658	1.02252	0.41082
99	114.03465	107.75950	100.40753	39.74335	1.15187	1.08848	1.01422	0.40145
100	114.41932	108.04717	100.60023	39.22042	1.14419	1.08047	1.00600	0.39220
101	114.79707	108.32748	100.78557	38.69181	1.13660	1.07255	0.99788	0.38309
102	115.16796	108.60050	100.96362	38.15764	1.12910	1.06471	0.98984	0.37409
103	115.53209	108.86633	101.13447	37.61804	1.12167	1.05695	0.98189	0.36522
104	115.88953	109.12504	101.29822	37.07312	1.11432	1.04928	0.97402	0.35647
105	116.24036	109.37671	101.45494	36.52302	1.10705	1.04168	0.96624	0.34784

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
106	116.58465	109.62143	101.60472	35.96784	1.09986	1.03416	0.95854	0.33932
107	116.92249	109.85927	101.74764	35.40770	1.09273	1.02672	0.95091	0.33091
108	117.25395	110.09030	101.88378	34.84270	1.08568	1.01935	0.94337	0.32262
109	117.57909	110.31460	102.01320	34.27297	1.07871	1.01206	0.93590	0.31443
110	117.89798	110.53224	102.13600	33.69860	1.07180	1.00484	0.92851	0.30635
111	118.21071	110.74330	102.25225	33.11970	1.06496	0.99769	0.92119	0.29838
112	118.51733	110.94784	102.36201	32.53638	1.05819	0.99061	0.91395	0.29050
113	118.81791	111.14593	102.46536	31.94874	1.05149	0.98359	0.90677	0.28273
114	119.11252	111.33765	102.56238	31.35688	1.04485	0.97665	0.89967	0.27506
115	119.40123	111.52305	102.65313	30.76090	1.03827	0.96977	0.89264	0.26749
116	119.68409	111.70220	102.73767	30.16089	1.03176	0.96295	0.88567	0.26001
117	119.96117	111.87517	102.81609	29.55694	1.02531	0.95620	0.87877	0.25262
118	120.23253	112.04202	102.88844	28.94916	1.01892	0.94951	0.87194	0.24533
119	120.49823	112.20281	102.95478	28.33764	1.01259	0.94288	0.86517	0.23813
120	120.75833	112.35760	103.01519	27.72246	1.00632	0.93631	0.85846	0.23102
121	121.01288	112.50645	103.06972	27.10371	1.00011	0.92981	0.85182	0.22400
122	121.26196	112.64943	103.11844	26.48148	0.99395	0.92336	0.84523	0.21706
123	121.50560	112.78658	103.16141	25.85586	0.98785	0.91696	0.83871	0.21021
124	121.74388	112.91798	103.19868	25.22693	0.98181	0.91063	0.83225	0.20344
125	121.97683	113.04366	103.23032	24.59477	0.97581	0.90435	0.82584	0.19676
126	122.20452	113.16369	103.25639	23.95947	0.96988	0.89812	0.81950	0.19015
127	122.42700	113.27813	103.27693	23.32111	0.96399	0.89195	0.81320	0.18363
128	122.64433	113.38702	103.29201	22.67976	0.95816	0.88584	0.80697	0.17719
129	122.85654	113.49042	103.30169	22.03551	0.95238	0.87977	0.80079	0.17082
130	123.06369	113.58838	103.30601	21.38842	0.94664	0.87376	0.79466	0.16453
131	123.26584	113.68095	103.30503	20.73858	0.94096	0.86779	0.78859	0.15831
132	123.46303	113.76818	103.29880	20.08607	0.93533	0.86188	0.78257	0.15217
133	123.65531	113.85012	103.28738	19.43094	0.92974	0.85602	0.77660	0.14610
134	123.84273	113.92683	103.27081	18.77328	0.92420	0.85020	0.77068	0.14010
135	124.02532	113.99834	103.24915	18.11316	0.91871	0.84443	0.76481	0.13417
136	124.20315	114.06471	103.22245	17.45065	0.91326	0.83871	0.75899	0.12831
137	124.37626	114.12598	103.19074	16.78581	0.90786	0.83304	0.75322	0.12252
138	124.54468	114.18220	103.15410	16.11872	0.90250	0.82741	0.74749	0.11680
139	124.70847	114.23341	103.11255	15.44944	0.89718	0.82182	0.74182	0.11115
140	124.86766	114.27966	103.06614	14.77804	0.89191	0.81628	0.73619	0.10556
141	125.02230	114.32099	103.01494	14.10458	0.88668	0.81079	0.73060	0.10003
142	125.17244	114.35745	102.95896	13.42912	0.88150	0.80533	0.72506	0.09457
143	125.31811	114.38907	102.89828	12.75174	0.87635	0.79992	0.71957	0.08917
144	125.45936	114.41591	102.83292	12.07249	0.87125	0.79455	0.71412	0.08384
145	125.59621	114.43799	102.76293	11.39143	0.86618	0.78923	0.70871	0.07856

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
146	125.72873	114.45538	102.68835	10.70863	0.86116	0.78394	0.70334	0.07335
147	125.85694	114.46809	102.60923	10.02415	0.85617	0.77869	0.69802	0.06819
148	125.98088	114.47618	102.52561	9.33804	0.85122	0.77349	0.69274	0.06309
149	126.10060	114.47968	102.43752	8.65036	0.84631	0.76832	0.68750	0.05806
150	126.21612	114.47863	102.34502	7.96117	0.84144	0.76319	0.68230	0.05307
151	126.32749	114.47307	102.24814	7.27052	0.83661	0.75810	0.67714	0.04815
152	126.43474	114.46304	102.14691	6.57848	0.83181	0.75305	0.67202	0.04328
153	126.53792	114.44858	102.04139	5.88510	0.82705	0.74803	0.66694	0.03846
154	126.63705	114.42971	101.93160	5.19043	0.82232	0.74305	0.66189	0.03370
155	126.73217	114.40649	101.81759	4.49453	0.81763	0.73811	0.65689	0.02900
156	126.82331	114.37894	101.69939	3.79744	0.81297	0.73320	0.65192	0.02434
157	126.91052	114.34710	101.57704	3.09923	0.80835	0.72833	0.64699	0.01974
158	126.99382	114.31100	101.45058	2.39994	0.80376	0.72349	0.64209	0.01519
159	127.07325	114.27068	101.32004	1.69963	0.79920	0.71868	0.63723	0.01069
160	127.14883	114.22618	101.18545	0.99834	0.79468	0.71391	0.63241	0.00624
161	127.22062	114.17752	101.04687	.	0.79019	0.70918	0.62762	.
162	127.28862	114.12475	100.90431	.	0.78573	0.70447	0.62287	.
163	127.35289	114.06788	100.75781	.	0.78131	0.69980	0.61815	.
164	127.41345	114.00696	100.60741	.	0.77691	0.69516	0.61346	.
165	127.47032	113.94202	100.45314	.	0.77255	0.69056	0.60881	.
166	127.52355	113.87309	100.29503	.	0.76821	0.68598	0.60419	.
167	127.57316	113.80020	100.13312	.	0.76391	0.68144	0.59960	.
168	127.61918	113.72338	99.96744	.	0.75964	0.67692	0.59504	.
169	127.66165	113.64266	99.79802	.	0.75539	0.67244	0.59052	.
170	127.70058	113.55807	99.62490	.	0.75118	0.66799	0.58603	.
171	127.73602	113.46964	99.44809	.	0.74699	0.66357	0.58157	.
172	127.76798	113.37741	99.26764	.	0.74284	0.65917	0.57714	.
173	127.79650	113.28139	99.08358	.	0.73871	0.65481	0.57274	.
174	127.82161	113.18163	98.89593	.	0.73461	0.65047	0.56837	.
175	127.84332	113.07814	98.70472	.	0.73053	0.64616	0.56403	.
176	127.86168	112.97096	98.50999	.	0.72649	0.64188	0.55972	.
177	127.87671	112.86011	98.31176	.	0.72247	0.63763	0.55543	.
178	127.88843	112.74563	98.11007	.	0.71847	0.63340	0.55118	.
179	127.89686	112.62753	97.90493	.	0.71451	0.62920	0.54695	.
180	127.90205	112.50584	97.69639	.	0.71057	0.62503	0.54276	.
181	127.90401	112.38060	97.48446	.	0.70665	0.62089	0.53859	.
182	127.90276	112.25183	97.26917	.	0.70276	0.61677	0.53445	.
183	127.89834	112.11955	97.05056	.	0.69890	0.61268	0.53033	.
184	127.89077	111.98378	96.82864	.	0.69506	0.60861	0.52624	.
185	127.88007	111.84457	96.60345	.	0.69124	0.60457	0.52218	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
186	127.86626	111.70192	96.37501	.	0.68745	0.60055	0.51815	.
187	127.84938	111.55587	96.14335	.	0.68369	0.59656	0.51414	.
188	127.82944	111.40644	95.90849	.	0.67994	0.59259	0.51015	.
189	127.80648	111.25366	95.67046	.	0.67622	0.58864	0.50619	.
190	127.78050	111.09754	95.42929	.	0.67253	0.58472	0.50226	.
191	127.75154	110.93811	95.18499	.	0.66886	0.58083	0.49835	.
192	127.71962	110.77540	94.93760	.	0.66521	0.57696	0.49447	.
193	127.68476	110.60943	94.68713	.	0.66158	0.57311	0.49061	.
194	127.64699	110.44022	94.43362	.	0.65797	0.56928	0.48677	.
195	127.60632	110.26780	94.17708	.	0.65439	0.56548	0.48296	.
196	127.56278	110.09218	93.91755	.	0.65083	0.56169	0.47917	.
197	127.51638	109.91339	93.65503	.	0.64729	0.55794	0.47541	.
198	127.46717	109.73146	93.38957	.	0.64377	0.55420	0.47166	.
199	127.41514	109.54640	93.12117	.	0.64028	0.55048	0.46795	.
200	127.36033	109.35824	92.84986	.	0.63680	0.54679	0.46425	.
201	127.30275	109.16699	92.57567	.	0.63335	0.54312	0.46058	.
202	127.24243	108.97268	92.29862	.	0.62991	0.53947	0.45692	.
203	127.17938	108.77533	92.01873	.	0.62650	0.53584	0.45329	.
204	127.11363	108.57497	91.73602	.	0.62311	0.53223	0.44969	.
205	127.04520	108.37160	91.45051	.	0.61973	0.52864	0.44610	.
206	126.97411	108.16526	91.16223	.	0.61638	0.52507	0.44254	.
207	126.90037	107.95596	90.87119	.	0.61305	0.52153	0.43899	.
208	126.82400	107.74372	90.57742	.	0.60973	0.51800	0.43547	.
209	126.74503	107.52856	90.28093	.	0.60644	0.51449	0.43197	.
210	126.66348	107.31050	89.98175	.	0.60316	0.51100	0.42848	.
211	126.57936	107.08957	89.67591	.	0.59990	0.50753	0.42502	.
212	126.49269	106.86578	89.37541	.	0.59666	0.50408	0.42158	.
213	126.40349	106.63914	89.06828	.	0.59344	0.50065	0.41816	.
214	126.31178	106.40969	88.75854	.	0.59024	0.49724	0.41476	.
215	126.21758	106.17743	88.44620	.	0.58706	0.49385	0.41138	.
216	126.12091	105.94239	88.13130	.	0.58389	0.49047	0.40802	.
217	126.02177	105.70459	87.81384	.	0.58075	0.48712	0.40467	.
218	125.92020	105.46404	87.49385	.	0.57762	0.48378	0.40135	.
219	125.81621	105.22075	87.17134	.	0.57450	0.48046	0.39804	.
220	125.70982	104.97476	86.84634	.	0.57141	0.47716	0.39476	.
221	125.60103	104.72608	86.51886	.	0.56833	0.47387	0.39149	.
222	125.48988	104.47471	86.18892	.	0.56527	0.47061	0.38824	.
223	125.37638	104.22070	85.85654	.	0.56223	0.46736	0.38501	.
224	125.26054	103.96404	85.52174	.	0.55920	0.46413	0.38179	.
225	125.14238	103.70475	85.18454	.	0.55619	0.46091	0.37860	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
226	125.02192	103.44286	84.84494	.	0.55319	0.45771	0.37542	.
227	124.89918	103.17838	84.50298	.	0.55022	0.45453	0.37226	.
228	124.77416	102.91133	84.15867	.	0.54726	0.45137	0.36912	.
229	124.64689	102.64172	83.81202	.	0.54431	0.44822	0.36599	.
230	124.51739	102.36957	83.46306	.	0.54138	0.44509	0.36288	.
231	124.38566	102.09489	83.11179	.	0.53847	0.44197	0.35979	.
232	124.25172	101.81771	82.75825	.	0.53557	0.43887	0.35672	.
233	124.11560	101.53804	82.40243	.	0.53268	0.43579	0.35366	.
234	123.97730	101.25589	82.04437	.	0.52982	0.43272	0.35062	.
235	123.83684	100.97128	81.68407	.	0.52697	0.42967	0.34759	.
236	123.69423	100.68422	81.32156	.	0.52413	0.42663	0.34458	.
237	123.54950	100.39474	80.95684	.	0.52131	0.42361	0.34159	.
238	123.40265	100.10284	80.58994	.	0.51850	0.42060	0.33861	.
239	123.25370	99.80854	80.22087	.	0.51571	0.41761	0.33565	.
240	123.10267	99.51186	79.84965	.	0.51293	0.41463	0.33271	.
241	122.94956	99.21281	79.47629	.	0.51016	0.41167	0.32978	.
242	122.79440	98.91141	79.10081	.	0.50741	0.40872	0.32686	.
243	122.63720	98.60767	78.72322	.	0.50468	0.40579	0.32396	.
244	122.47796	98.30160	78.34354	.	0.50196	0.40288	0.32108	.
245	122.31672	97.99322	77.96179	.	0.49925	0.39997	0.31821	.
246	122.15347	97.68255	77.57797	.	0.49656	0.39708	0.31536	.
247	121.98824	97.36960	77.19211	.	0.49388	0.39421	0.31252	.
248	121.82104	97.05437	76.80421	.	0.49121	0.39135	0.30969	.
249	121.65187	96.73690	76.41430	.	0.48856	0.38850	0.30688	.
250	121.48076	96.41718	76.02239	.	0.48592	0.38567	0.30409	.
251	121.30772	96.09524	75.62849	.	0.48330	0.38285	0.30131	.
252	121.13276	95.77108	75.23261	.	0.48069	0.38004	0.29854	.
253	120.95590	95.44473	74.83478	.	0.47809	0.37725	0.29579	.
254	120.77714	95.11619	74.43500	.	0.47550	0.37447	0.29305	.
255	120.59650	94.78548	74.03328	.	0.47293	0.37171	0.29033	.
256	120.41400	94.45261	73.62965	.	0.47037	0.36896	0.28762	.
257	120.22964	94.11760	73.22412	.	0.46782	0.36622	0.28492	.
258	120.04344	93.78045	72.81670	.	0.46528	0.36349	0.28224	.
259	119.85542	93.44118	72.40739	.	0.46276	0.36078	0.27957	.
260	119.66557	93.09981	71.99623	.	0.46025	0.35808	0.27691	.
261	119.47392	92.75634	71.58322	.	0.45775	0.35539	0.27427	.
262	119.28049	92.41079	71.16836	.	0.45527	0.35271	0.27163	.
263	119.08527	92.06317	70.75169	.	0.45280	0.35005	0.26902	.
264	118.88828	91.71349	70.33320	.	0.45033	0.34740	0.26641	.
265	118.68954	91.36177	69.91292	.	0.44789	0.34476	0.26382	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
266	118.48905	91.00802	69.49085	.	0.44545	0.34214	0.26124	.
267	118.28684	90.65225	69.06701	.	0.44302	0.33952	0.25868	.
268	118.08290	90.29447	68.64141	.	0.44061	0.33692	0.25612	.
269	117.87726	89.93469	68.21407	.	0.43821	0.33433	0.25358	.
270	117.66992	89.57293	67.78499	.	0.43581	0.33175	0.25106	.
271	117.46089	89.20920	67.35418	.	0.43344	0.32919	0.24854	.
272	117.25019	88.84350	66.92167	.	0.43107	0.32663	0.24604	.
273	117.03783	88.47586	66.48746	.	0.42871	0.32409	0.24354	.
274	116.82381	88.10628	66.05156	.	0.42636	0.32156	0.24106	.
275	116.60816	87.73478	65.61399	.	0.42403	0.31904	0.23860	.
276	116.39088	87.36136	65.17476	.	0.42171	0.31653	0.23614	.
277	116.17198	86.98603	64.73387	.	0.41939	0.31403	0.23370	.
278	115.95147	86.60882	64.29135	.	0.41709	0.31154	0.23126	.
279	115.72936	86.22972	63.84721	.	0.41480	0.30907	0.22884	.
280	115.50567	85.84876	63.40144	.	0.41252	0.30660	0.22643	.
281	115.28041	85.46593	62.95408	.	0.41025	0.30415	0.22404	.
282	115.05358	85.08126	62.50512	.	0.40799	0.30171	0.22165	.
283	114.82519	84.69475	62.05458	.	0.40574	0.29927	0.21927	.
284	114.59527	84.30641	61.60247	.	0.40350	0.29685	0.21691	.
285	114.36381	83.91626	61.14880	.	0.40128	0.29444	0.21456	.
286	114.13082	83.52430	60.69359	.	0.39906	0.29204	0.21222	.
287	113.89633	83.13055	60.23684	.	0.39685	0.28965	0.20988	.
288	113.66033	82.73501	59.77856	.	0.39465	0.28727	0.20756	.
289	113.42284	82.33770	59.31877	.	0.39247	0.28491	0.20526	.
290	113.18387	81.93863	58.85748	.	0.39029	0.28255	0.20296	.
291	112.94342	81.53780	58.39469	.	0.38812	0.28020	0.20067	.
292	112.70151	81.13523	57.93042	.	0.38596	0.27786	0.19839	.
293	112.45815	80.73092	57.46467	.	0.38382	0.27553	0.19613	.
294	112.21335	80.32490	56.99747	.	0.38168	0.27321	0.19387	.
295	111.96711	79.91715	56.52882	.	0.37955	0.27091	0.19162	.
296	111.71945	79.50771	56.05872	.	0.37743	0.26861	0.18939	.
297	111.47038	79.09657	55.58719	.	0.37532	0.26632	0.18716	.
298	111.21990	78.68375	55.11425	.	0.37322	0.26404	0.18495	.
299	110.96802	78.26925	54.63989	.	0.37113	0.26177	0.18274	.
300	110.71476	77.85309	54.16414	.	0.36905	0.25951	0.18055	.
301	110.46012	77.43528	53.68699	.	0.36698	0.25726	0.17836	.
302	110.20412	77.01582	53.20846	.	0.36491	0.25502	0.17619	.
303	109.94675	76.59472	52.72857	.	0.36286	0.25279	0.17402	.
304	109.68804	76.17200	52.24731	.	0.36082	0.25057	0.17187	.
305	109.42799	75.74765	51.76470	.	0.35878	0.24835	0.16972	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
306	109.16660	75.32170	51.28075	.	0.35675	0.24615	0.16758	.
307	108.90390	74.89416	50.79547	.	0.35474	0.24395	0.16546	.
308	108.63988	74.46502	50.30887	.	0.35273	0.24177	0.16334	.
309	108.37456	74.03430	49.82096	.	0.35073	0.23959	0.16123	.
310	108.10794	73.60201	49.33174	.	0.34874	0.23743	0.15913	.
311	107.84003	73.16815	48.84123	.	0.34675	0.23527	0.15705	.
312	107.57084	72.73274	48.34944	.	0.34478	0.23312	0.15497	.
313	107.30039	72.29579	47.85637	.	0.34281	0.23098	0.15290	.
314	107.02867	71.85730	47.36203	.	0.34086	0.22884	0.15083	.
315	106.75570	71.41728	46.86644	.	0.33891	0.22672	0.14878	.
316	106.48149	70.97575	46.36960	.	0.33697	0.22461	0.14674	.
317	106.20604	70.53270	45.87152	.	0.33503	0.22250	0.14471	.
318	105.92936	70.08815	45.37221	.	0.33311	0.22040	0.14268	.
319	105.65146	69.64211	44.87168	.	0.33120	0.21831	0.14066	.
320	105.37236	69.19458	44.36994	.	0.32929	0.21623	0.13866	
321	105.09204	68.74558	43.86700	.	0.32739	0.21416	0.13666	
322	104.81054	68.29511	43.36286	.	0.32550	0.21210	0.13467	.
323	104.52784	67.84317	42.85753	.	0.32362	0.21004	0.13269	.
324	104.24397	67.38979	42.35103	.	0.32174	0.20799	0.13071	.
325	103.95893	66.93496	41.84336	.	0.31987	0.20595	0.12875	.
326	103.67272	66.47870	41.33453	.	0.31801	0.20392	0.12679	.
327	103.38536	66.02101	40.82455	.	0.31616	0.20190	0.12485	.
328	103.09685	65.56190	40.31343	.	0.31432	0.19988	0.12291	.
329	102.80720	65.10138	39.80117	.	0.31248	0.19788	0.12098	.
330	102.51642	64.63946	39.28778	.	0.31066	0.19588	0.11905	.
331	102.22452	64.17614	38.77328	.	0.30884	0.19389	0.11714	.
332	101.93149	63.71143	38.25767	.	0.30702	0.19190	0.11523	.
333	101.63736	63.24534	37.74095	.	0.30522	0.18993	0.11334	.
334	101.34213	62.77788	37.22314	.	0.30342	0.18796	0.11145	.
335	101.04580	62.30906	36.70425	.	0.30163	0.18600	0.10956	.
336	100.74839	61.83888	36.18427	.	0.29985	0.18404	0.10769	.
337	100.44990	61.36735	35.66323	.	0.29807	0.18210	0.10583	.
338	100.15034	60.89448	35.14113	.	0.29630	0.18016	0.10397	.
339	99.84971	60.42028	34.61797	.	0.29454	0.17823	0.10212	.
340	99.54802	59.94475	34.09377	.	0.29279	0.17631	0.10028	.
341	99.24529	59.46790	33.56852	.	0.29104	0.17439	0.09844	.
342	98.94151	58.98973	33.04225	.	0.28930	0.17248	0.09661	.
343	98.63669	58.51027	32.51496	.	0.28757	0.17058	0.09480	.
344	98.33085	58.02950	31.98665	.	0.28585	0.16869	0.09298	.
345	98.02399	57.54745	31.45733	.	0.28413	0.16680	0.09118	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
346	97.71611	57.06412	30.92701	.	0.28242	0.16493	0.08938	.
347	97.40722	56.57950	30.39570	.	0.28071	0.16305	0.08760	.
348	97.09734	56.09362	29.86340	.	0.27902	0.16119	0.08581	.
349	96.78646	55.60648	29.33013	.	0.27733	0.15933	0.08404	.
350	96.47459	55.11809	28.79589	.	0.27564	0.15748	0.08227	.
351	96.16174	54.62845	28.26068	.	0.27397	0.15564	0.08051	.
352	95.84792	54.13756	27.72452	.	0.27230	0.15380	0.07876	.
353	95.53313	53.64545	27.18741	.	0.27063	0.15197	0.07702	.
354	95.21739	53.15211	26.64936	.	0.26898	0.15015	0.07528	.
355	94.90069	52.65755	26.11037	.	0.26733	0.14833	0.07355	.
356	94.58304	52.16177	25.57046	.	0.26568	0.14652	0.07183	.
357	94.26446	51.66479	25.02963	.	0.26405	0.14472	0.07011	.
358	93.94494	51.16661	24.48788	.	0.26242	0.14292	0.06840	.
359	93.62449	50.66724	23.94523	.	0.26079	0.14113	0.06670	.
360	93.30312	50.16668	23.40169	.	0.25918	0.13935	0.06500	.
361	92.98084	49.66495	22.85725	.	0.25756	0.13758	0.06332	.
362	92.65765	49.16204	22.31192	.	0.25596	0.13581	0.06164	.
363	92.33357	48.65796	21.76572	.	0.25436	0.13404	0.05996	.
364	92.00858	48.15273	21.21864	.	0.25277	0.13229	0.05829	.
365	91.68271	47.64634	20.67071	.	0.25119	0.13054	0.05663	.
366	91.35595	47.13881	20.12191	.	0.24961	0.12879	0.05498	.
367	91.02832	46.63013	19.57226	.	0.24803	0.12706	0.05333	.
368	90.69982	46.12032	19.02177	.	0.24647	0.12533	0.05169	.
369	90.37046	45.60939	18.47045	.	0.24491	0.12360	0.05006	.
370	90.04024	45.09733	17.91829	.	0.24335	0.12188	0.04843	.
371	89.70917	44.58416	17.36530	.	0.24180	0.12017	0.04681	.
372	89.37725	44.06988	16.81150	.	0.24026	0.11847	0.04519	.
373	89.04449	43.55450	16.25689	.	0.23873	0.11677	0.04358	.
374	88.71090	43.03802	15.70147	.	0.23719	0.11507	0.04198	.
375	88.37648	42.52045	15.14526	.	0.23567	0.11339	0.04039	.
376	88.04124	42.00179	14.58825	.	0.23415	0.11171	0.03880	.
377	87.70519	41.48206	14.03046	.	0.23264	0.11003	0.03722	.
378	87.36833	40.96126	13.47188	.	0.23113	0.10836	0.03564	.
379	87.03066	40.43939	12.91254	.	0.22963	0.10670	0.03407	.
380	86.69219	39.91646	12.35243	.	0.22814	0.10504	0.03251	.
381	86.35293	39.39248	11.79155	.	0.22665	0.10339	0.03095	.
382	86.01289	38.86745	11.22993	.	0.22516	0.10175	0.02940	.
383	85.67207	38.34138	10.66755	.	0.22369	0.10011	0.02785	.
384	85.33047	37.81427	10.10443	.	0.22221	0.09847	0.02631	.
385	84.98810	37.28613	9.54058	.	0.22075	0.09685	0.02478	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
386	84.64496	36.75696	8.97600	.	0.21929	0.09523	0.02325	.
387	84.30107	36.22678	8.41069	.	0.21783	0.09361	0.02173	.
388	83.95643	35.69558	7.84467	.	0.21638	0.09200	0.02022	.
389	83.61104	35.16338	7.27793	.	0.21494	0.09039	0.01871	.
390	83.26491	34.63017	6.71049	.	0.21350	0.08880	0.01721	.
391	82.91804	34.09597	6.14234	.	0.21207	0.08720	0.01571	.
392	82.57044	33.56078	5.57351	.	0.21064	0.08561	0.01422	.
393	82.22212	33.02460	5.00398	.	0.20922	0.08403	0.01273	.
394	81.87308	32.48745	4.43377	.	0.20780	0.08246	0.01125	.
395	81.52332	31.94932	3.86289	.	0.20639	0.08088	0.00978	.
396	81.17286	31.41022	3.29134	.	0.20498	0.07932	0.00831	.
397	80.82169	30.87015	2.71912	.	0.20358	0.07776	0.00685	.
398	80.46982	30.32914	2.14624	.	0.20219	0.07620	0.00539	.
399	80.11726	29.78716	1.57270	.	0.20080	0.07465	0.00394	.
400	79.76401	29.24425	1.00000	.	0.19941	0.07311	0.00250	.
401	79.41008	28.70039	.	.	0.19803	0.07157	.	.
402	79.05547	28.15559	.	.	0.19666	0.07004	.	.
403	78.70020	27.60987	.	.	0.19529	0.06851	.	.
404	78.34425	27.06322	.	.	0.19392	0.06699	.	.
405	77.98764	26.51564	.	.	0.19256	0.06547	.	.
406	77.63037	25.96716	.	.	0.19121	0.06396	.	.
407	77.27246	25.41776	.	.	0.18986	0.06245	.	.
408	76.91389	24.86746	.	.	0.18851	0.06095	.	.
409	76.55469	24.31626	.	.	0.18718	0.05945	.	.
410	76.19485	23.76417	.	.	0.18584	0.05796	.	.
411	75.83437	23.21119	.	.	0.18451	0.05647	.	.
412	75.47327	22.65732	.	.	0.18319	0.05499	.	.
413	75.11155	22.10258	.	.	0.18187	0.05352	.	.
414	74.74921	21.54696	.	.	0.18055	0.05205	.	.
415	74.38626	20.99047	.	.	0.17924	0.05058	.	.
416	74.02270	20.43312	.	.	0.17794	0.04912	.	.
417	73.65854	19.87491	.	.	0.17664	0.04766	.	.
418	73.29378	19.31584	.	.	0.17534	0.04621	.	.
419	72.92843	18.75593	.	.	0.17405	0.04476	.	.
420	72.56249	18.19517	.	.	0.17277	0.04332	.	.
421	72.19596	17.63358	.	.	0.17149	0.04188	.	.
422	71.82886	17.07114	.	.	0.17021	0.04045	.	.
423	71.46119	16.50788	.	.	0.16894	0.03903	.	.
424	71.09294	15.94380	.	.	0.16767	0.03760	.	.
425	70.72413	15.37889	.	.	0.16641	0.03619	.	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
426	70.35476	14.81317	.	.	0.16515	0.03477	.	.
427	69.98484	14.24664	.	.	0.16390	0.03336	.	.
428	69.61436	13.67930	.	.	0.16265	0.03196	.	.
429	69.24334	13.11116	.	.	0.16141	0.03056	.	.
430	68.87178	12.54223	.	.	0.16017	0.02917	.	.
431	68.49968	11.97250	.	.	0.15893	0.02778	.	.
432	68.12704	11.40198	.	.	0.15770	0.02639	.	.
433	67.75388	10.83069	.	.	0.15648	0.02501	.	.
434	67.38019	10.25861	.	.	0.15525	0.02364	.	.
435	67.00599	9.68576	.	.	0.15404	0.02227	.	.
436	66.63127	9.11215	.	.	0.15282	0.02090	.	.
437	66.25604	8.53776	.	.	0.15162	0.01954	.	.
438	65.88030	7.96262	.	.	0.15041	0.01818	.	.
439	65.50406	7.38672	.	.	0.14921	0.01683	.	.
440	65.12733	6.81008	.	.	0.14802	0.01548	.	.
441	64.75010	6.23268	.	.	0.14683	0.01413	.	.
442	64.37238	5.65454	.	.	0.14564	0.01279	.	.
443	63.99418	5.07567	.	.	0.14446	0.01146	.	.
444	63.61549	4.49606	.	.	0.14328	0.01013	.	.
445	63.23633	3.91572	.	.	0.14210	0.00880	.	.
446	62.85670	3.33466	.	.	0.14093	0.00748	.	.
447	62.47660	2.75288	.	.	0.13977	0.00616	.	.
448	62.09604	2.17038	.	.	0.13861	0.00484	.	.
449	61.71502	1.58717	.	.	0.13745	0.00353	.	.
450	61.33354	1.00000	.	.	0.13630	0.00222	.	.
451	60.95162	.	.	.	0.13515	.	.	.
452	60.56924	.	.	.	0.13400	.	.	.
453	60.18642	.	.	.	0.13286	.	.	.
454	59.80317	.	.	.	0.13173	.	.	.
455	59.41947	.	.	.	0.13059	.	.	.
456	59.03535	.	.	.	0.12946	.	.	.
457	58.65080	.	.	.	0.12834	.	.	.
458	58.26583	.	.	.	0.12722	.	.	.
459	57.88044	.	.	.	0.12610	.	.	.
460	57.49463	.	.	.	0.12499	.	.	.
461	57.10842	.	.	.	0.12388	.	.	.
462	56.72179	.	.	.	0.12277	.	.	.
463	56.33477	.	.	.	0.12167	.	.	.
464	55.94734	.	.	.	0.12058	.	.	.
465	55.55952	.	.	.	0.11948	.	.	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
466	55.17131	.	.	.	0.11839	.	.	.
467	54.78271	.	.	.	0.11731	.	.	.
468	54.39373	.	.	.	0.11623	.	.	.
469	54.00436	.	.	.	0.11515	.	.	.
470	53.61462	.	.	.	0.11407	.	.	.
471	53.22451	.	.	.	0.11300	.	.	.
472	52.83403	.	.	.	0.11194	.	.	.
473	52.44319	.	.	.	0.11087	.	.	.
474	52.05198	.	.	.	0.10981	.	.	.
475	51.66041	.	.	.	0.10876	.	.	.
476	51.26850	.	.	.	0.10771	.	.	.
477	50.87623	.	.	.	0.10666	.	.	.
478	50.48362	.	.	.	0.10561	.	.	.
479	50.09066	.	.	.	0.10457	.	.	.
480	49.69736	.	.	.	0.10354	.	.	.
481	49.30373	.	.	.	0.10250	.	.	.
482	48.90977	.	.	.	0.10147	.	.	.
483	48.51548	.	.	.	0.10045	.	.	.
484	48.12086	.	.	.	0.09942	.	.	.
485	47.72593	.	.	.	0.09840	.	.	.
486	47.33067	.	.	.	0.09739	.	.	.
487	46.93510	.	.	.	0.09638	.	.	.
488	46.53923	.	.	.	0.09537	.	.	.
489	46.14304	.	.	.	0.09436	.	.	.
490	45.74655	.	.	.	0.09336	.	.	.
491	45.34976	.	.	.	0.09236	.	.	.
492	44.95268	.	.	.	0.09137	.	.	.
493	44.55530	.	.	.	0.09038	.	.	.
494	44.15763	.	.	.	0.08939	.	.	.
495	43.75967	.	.	.	0.08840	.	.	.
496	43.36144	.	.	.	0.08742	.	.	.
497	42.96292	.	.	.	0.08644	.	.	.
498	42.56413	.	.	.	0.08547	.	.	.
499	42.16506	.	.	.	0.08450	.	.	.
500	41.76573	.	.	.	0.08353	.	.	.
501	41.36613	.	.	.	0.08257	.	.	.
502	40.96626	.	.	.	0.08161	.	.	.
503	40.56614	.	.	.	0.08065	.	.	.
504	40.16576	.	.	.	0.07969	.	.	.
505	39.76513	.	.	.	0.07874	.	.	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
506	39.36425	.	.	.	0.07779	.	.	.
507	38.96312	.	.	.	0.07685	.	.	.
508	38.56175	.	.	.	0.07591	.	.	.
509	38.16014	.	.	.	0.07497	.	.	.
510	37.75829	.	.	.	0.07404	.	.	.
511	37.35621	.	.	.	0.07310	.	.	.
512	36.95390	.	.	.	0.07218	.	.	.
513	36.55136	.	.	.	0.07125	.	.	.
514	36.14860	.	.	.	0.07033	.	.	.
515	35.74562	.	.	.	0.06941	.	.	.
516	35.34242	.	.	.	0.06849	.	.	.
517	34.93901	.	.	.	0.06758	.	.	.
518	34.53538	.	.	.	0.06667	.	.	.
519	34.13155	.	.	.	0.06576	.	.	.
520	33.72751	.	.	.	0.06486	.	.	.
521	33.32327	.	.	.	0.06396	.	.	.
522	32.91883	.	.	.	0.06306	.	.	.
523	32.51420	.	.	.	0.06217	.	.	.
524	32.10937	.	.	.	0.06128	.	.	.
525	31.70435	.	.	.	0.06039	.	.	.
526	31.29915	.	.	.	0.05950	.	.	.
527	30.89376	.	.	.	0.05862	.	.	.
528	30.48820	.	.	.	0.05774	.	.	.
529	30.08245	.	.	.	0.05687	.	.	.
530	29.67653	.	.	.	0.05599	.	.	.
531	29.27044	.	.	.	0.05512	.	.	.
532	28.86418	.	.	.	0.05426	.	.	.
533	28.45775	.	.	.	0.05339	.	.	.
534	28.05116	.	.	.	0.05253	.	.	.
535	27.64441	.	.	.	0.05167	.	.	.
536	27.23751	.	.	.	0.05082	.	.	.
537	26.83045	.	.	.	0.04996	.	.	.
538	26.42323	.	.	.	0.04911	.	.	.
539	26.01587	.	.	.	0.04827	.	.	.
540	25.60837	.	.	.	0.04742	.	.	.
541	25.20072	.	.	.	0.04658	.	.	.
542	24.79293	.	.	.	0.04574	.	.	.
543	24.38501	.	.	.	0.04491	.	.	.
544	23.97695	.	.	.	0.04408	.	.	.
545	23.56876	.	.	.	0.04325	.	.	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
546	23.16044	.	.	.	0.04242	.	.	.
547	22.75200	.	.	.	0.04159	.	.	.
548	22.34343	.	.	.	0.04077	.	.	.
549	21.93475	.	.	.	0.03995	.	.	.
550	21.52594	.	.	.	0.03914	.	.	.
551	21.11702	.	.	.	0.03832	.	.	.
552	20.70799	.	.	.	0.03751	.	.	.
553	20.29885	.	.	.	0.03671	.	.	.
554	19.88961	.	.	.	0.03590	.	.	.
555	19.48026	.	.	.	0.03510	.	.	.
556	19.07081	.	.	.	0.03430	.	.	.
557	18.66126	.	.	.	0.03350	.	.	.
558	18.25161	.	.	.	0.03271	.	.	.
559	17.84188	.	.	.	0.03192	.	.	.
560	17.43205	.	.	.	0.03113	.	.	.
561	17.02213	.	.	.	0.03034	.	.	.
562	16.61213	.	.	.	0.02956	.	.	.
563	16.20205	.	.	.	0.02878	.	.	.
564	15.79189	.	.	.	0.02800	.	.	.
565	15.38165	.	.	.	0.02722	.	.	.
566	14.97134	.	.	.	0.02645	.	.	.
567	14.56096	.	.	.	0.02568	.	.	.
568	14.15050	.	.	.	0.02491	.	.	.
569	13.73998	.	.	.	0.02415	.	.	.
570	13.32940	.	.	.	0.02338	.	.	.
571	12.91875	.	.	.	0.02262	.	.	.
572	12.50805	.	.	.	0.02187	.	.	.
573	12.09729	.	.	.	0.02111	.	.	.
574	11.68648	.	.	.	0.02036	.	.	.
575	11.27561	.	.	.	0.01961	.	.	.
576	10.86470	.	.	.	0.01886	.	.	.
577	10.45374	.	.	.	0.01812	.	.	.
578	10.04273	.	.	.	0.01737	.	.	.
579	9.63169	.	.	.	0.01664	.	.	.
580	9.22060	.	.	.	0.01590	.	.	.
581	8.80948	.	.	.	0.01516	.	.	.
582	8.39833	.	.	.	0.01443	.	.	.
583	7.98714	.	.	.	0.01370	.	.	.
584	7.57593	.	.	.	0.01297	.	.	.
585	7.16469	.	.	.	0.01225	.	.	.

ADM	6-YR HIGH WPU	4-YR HIGH WPU	JR/MID WPU	ELEM WPU	6-YR HIGH WPU/ADM	4-YR HIGH WPU/ADM	JR/MID WPU/ADM	ELEM WPU/ADM
586	6.75342	.	.	.	0.01152	.	.	.
587	6.34214	.	.	.	0.01080	.	.	.
588	5.93083	.	.	.	0.01009	.	.	.
589	5.51951	.	.	.	0.00937	.	.	.
590	5.10818	.	.	.	0.00866	.	.	.
591	4.69683	.	.	.	0.00795	.	.	.
592	4.28547	.	.	.	0.00724	.	.	.
593	3.87411	.	.	.	0.00653	.	.	.
594	3.46274	.	.	.	0.00583	.	.	.
595	3.05137	.	.	.	0.00513	.	.	.
596	2.64000	.	.	.	0.00443	.	.	.
597	2.22863	.	.	.	0.00373	.	.	.
598	1.81726	.	.	.	0.00304	.	.	.
599	1.40591	.	.	.	0.00235	.	.	.
600	1.00000	.	.	.	0.00167	.	.	.

Adult High School Completion

Study Assignment

Should funding and student accounting policies in the Adult High School Completion Program be changed?

Background Information

For the 1988-89 school year, 15 of Utah's 40 districts reported 30 or fewer members. At least five of these districts have no program at all. The limited enrollment or absence of programs in these districts does not reflect a lack of need. Indeed, all of the state's 40 districts have a need for this service. These conditions reflect, rather, the inability of the districts to provide adequate adult diploma completion programs simply because they lack the necessary funds. These conditions raise two issues. First, absence of funding may be preventing some districts from delivering a minimum level of a necessary service for adult dropouts. Second, some districts may be providing the service without state participation.

Current Utah school finance law provides that funding allocations for Adult High School Completion programs be based on (a) prior year participation as reflected by clock hours of student membership, and (b) the official census of persons 18 years of age or older not possessing a diploma.

Subsection 1(A) [R300-419-4.H.(2)(b)] of the Utah Code presently provides that the membership requirement for funding is 20 clock hours. It has no concurrent requirement for attendance accounting.

Arguments For Modifying Adult High School Completion Formula

1. Districts that have an eligible adult population but that have lacked the resources to provide a diploma completion program could, with a base allocation, provide this service.
2. By reducing membership based on 20 clock hours of attendance to 10 hours, an incentive would be provided to districts to encourage adult student attendance, and would encourage students to attend.
3. By adding the reporting of aggregate clock hours of attendance to the current requirement to report aggregate clock hours of membership, attendance accounting would be improved because the change suggested in 2 , above, narrows the permissible period of absence.

Arguments Against Modifying Adult High School Completion Formula

1. By adding attendance reporting, more clerical time is required.
2. By funding added adult education programs in districts that previously had none, available funds would be redistributed in a manner that would make proportionally less available to existing programs.

Alternatives

1. Keep the present Adult High School Completion Program funding and attendance accounting policy intact.
2. Set the membership requirement at some rate more or less than the current 20 clock hours.
3. Provide a minimum base allocation to those districts that would like to provide the service but have been financially unable to do so heretofore.

Recommendations For Modifying Adult High School Funding and Attendance Policies

1. Provide a guaranteed annual base of $7,500 to any district planning to establish an Adult High School Completion Program, with the provision that new programs must be operational by the end of the year for which the base allocation was provided.
2. Maintain current recapture policy.
3. Maintain attendance accounting plan based on aggregate clock hours of membership.
4. Modify the ten-day membership rule of [R300-419-4.H(2)(b)] by reducing the current 20 clock hour requirement to 10 clock hours.
5. Modify statutory language to reflect that future changes in amounts will be made by board rule only, **not** by requiring a change in the statute.

Block Grant Experimental Program

Study Assignment

Should the Block Grant Experimental Program be extended to all school districts and should other modifications be made in the existing law?

Background Information

The 1988 Legislature approved an experimental block grant program to be used by six school districts. The program provided for the generation of Minimum School Program funds under the same formulas that currently exist in the law. It provided that the experimental districts be allowed to spend their funds "on the basis of the particular needs of the district and not necessarily on the basis of the formulas" (Utah Code 53A-17-201). This eliminated the need to adhere to formulas restricting use of maintenance and operation funds in the Minimum School Program and adherence to some State Board of Education rules. The 1989 Legislature extended the block grant concept to allow districts to include capital outlay funds in the unrestricted use pattern. The 1990 Legislature also provided for four more districts to be included in the pilot program for the two years remaining in the current legislation.

It is noted that the large majority of funds included in the Minimum School Program before passage of this law were and continue to be unrestricted. Restriction of state funds included in the Minimum School Program is due in large part to federal rules and regulations in such areas as Special Education, Chapter 1, Adult Education, and Vocational Education. These federal rules are very restrictive to all school districts including the pilot districts currently involved in this block grant program. The two major programs that allow the pilot districts much greater flexibility in use of funds are Career Ladders and Capital Outlay.

Arguments For Block Grant Extension and Against Modification

1. The current block grant law provides school districts with greater flexibility in spending funds to best serve their needs.
2. Greater spending flexibility in school districts supports the Shift in Focus concept being promoted by the State Board of Education.
3. It will be easier to initiate school based funding and management through the block grant.
4. Greater local accountability for funding and student achievement will result from the block grant concept.

Arguments Against Block Grant Extension and For Modification

1. Inclusion of capital outlay funds in the block grant violates the concept of wealth neutrality, because capital outlay funds are based on property tax wealth.
2. Block granting of funds allows for creation of local education programs which may not support local and/or state needs in such programs as Vocational Education.
3. Districts may use funds for programs not approved by the legislature and/or the state board.

Alternatives

1. Continue the pilot program for several more years to ensure validity of data and the effectiveness of experimental changes made by districts.
2. Allow more school districts into the program on a phased basis if data from the pilot districts confirm the effectiveness of the program.
3. Continue the pilot studies for the remainder of the experimental period, then evaluate the reports and data received from the districts to determine whether the program should be eliminated or extended to all school districts.
4. Eliminate capital outlay funds from block grants.
5. Continue to allow capital outlay funds to be used in block grant programs.

Block Grant Recommendation

1. Continue the pilot phase of the block grant program through fiscal 1992 as provided by law and then determine extension to all school districts or elimination of the program.
2. Eliminate the provision in the law which allows inclusion of capital outlay funds as part of the block grant pilot program.
3. Do not allow any further expansion of the program since only one year would remain in the pilot program and data from a single year would be inconclusive.

Modification of the Local Program

Study Assignment

Should the Local Program in the Minimum School Program be changed to a line item in the weighted pupil unit (WPU) section or should the value of the Local Program be used to increase the WPU?

Background Information

The 1987 Legislature approved a reduction of .0004 in the basic local tax rate for capital outlay and debt service. The allowable tax rate was decreased from .0024 to .0020. This reduction was used to a create a state .0004 tax rate levy, without raising taxes, for what was termed the Local Incentive Program. Under the conditions of the law change, school districts could use Local Incentive Program revenue for any purpose—operation, maintenance, capital outlay, and/or debt service.

Arguments For Modification of the Local Program

1. TheLocal Program levy is part of a total of required state tax rate of .004656 that every school district must assess in order to qualify for maintenance and operation funds from the Minimum School Program. Allowing the funds to also be used for capital outlay and debt service allows relatively wealthy school districts and districts with voted leeways a much greater degree of flexibility which may be somewhat disequalizing for districts having more restricted revenue.
2. The Local Program revenue distribution should not be separated from other Minimum School Program distributions.
3. If the basic .0020 tax rate for capital outlay and debt service becomes a statewide levy and is equalized, the Local Program levy flexibility and separation will no longer be needed.

Arguments Against Modification of the Local Program

1. Local Program revenue is one of the very few areas of school district funding where the local board of education has full flexibility.
2. This type of funding is consistent with the block grant program intentions.
3. The Local Program is also consistent with the State Board of Education's **A Shift in Focus**.

Alternatives

1. Leave the Local Program as it is.
2. Move the line item into the WPU section of the Minimum School Program but do not change the flexibility of use.

3. Shift the revenue from the Local Program into the value of the WPU since most funds are used for that purpose now.

Local Program Recommendation

1. Move the Local Program into the WPU section of the Minimum School Program as a separate line item.
2. Continue full flexibility in the use of Local Program funds.

Social Security and Retirement

Study Assignment

Should Social Security and retirement funds be added to the value of the weighted pupil unit (WPU), changed to a WPU line item, or left where presently located in the Minimum School Program, and should the distribution method be changed?

Background Information

Current Utah school finance law provides for placement of the reimbursable costs for Social Security and retirement for school district employee salaries as a non-WPU item in the minimum school program. The law also requires payment of 100% of reimbursable Social Security and retirement expenses.

Allocations of state funds for Social Security and retirement have not been enough to pay for actual Social Security and retirement costs during the past few years. The law allows makeup of such funds from over-collection of local property taxes, or by supplemental appropriation from the legislature. If a shortfall occurred in local property tax collections, state funding for Social Security and retirement would be inadequate and could force a reduction in the value of the WPU.

Reasons for Social Security and retirement allocation shortfalls have been due in part to school district employee salary increases which have been higher than appropriated increases in the value of the WPU. Another reason for shortfalls may be cases where districts supplant non-salary operating budget items with federal funds and do not pay Social Security and retirement costs when federal funds are used.

Arguments For Modification of Social Security and Retirement Funding

1. School districts that choose to grant salary increases higher than percentage increases in the value of the WPU should absorb those additional costs.
2. Fair share payments of Social Security and retirement costs would be automatic for all programs under a system which includes Social Security and retirement allocations based on the WPU.
3. Social Security and retirement would automatically increase in the same percentage as the WPU if included as a separate WPU line item or included in the WPU.
4. Additional percentage increases for Social Security and retirement would only be needed when rate changes are made.

Arguments Against Modification of Social Security and Retirement Funding

1. The current method of paying for school district Social Security and retirement costs has worked well for a number of years without major problems.

2. Districts that try to increase employee salaries above the WPU percentage increase should not be penalized for such efforts.
3. Placing Social Security and retirement in the value of the WPU creates another fixed cost item that must be deducted from the available revenue created when the value of the WPU is increased.
4. A line item amount in the WPU section of the Minimum School Program can be adjusted in the same way as a non-WPU line item.

Alternatives

1. Include the amount for Social Security and retirement in the value of the WPU. Adjust WPU value annually to reflect changes in Social Security and retirement rates.
2. Move Social Security and retirement into the WPU section of the Minimum School Program as a separate line item. Distribute on the basis of total WPUs as shown in Table 8. Estimate would be based on the combination of prior year allocation plus growth, percentage increase in the WPU, and Social Security and retirement rate changes.
3. Leave Social Security and retirement as a non-WPU line item. Distribute on the basis of total WPUs as shown in Table 8. Estimate would be based on the combination of prior year allocation plus growth, percentage increase in the WPU, and Social Security and retirement rate changes.
4. Leave Social Security and retirement as a non-WPU line item. Distribute only the actual expense incurred. Estimate would be based on the combination of prior year allocation plus growth, percentage increase in the WPU, and Social Security and retirement rate changes. Shortfalls not covered by legislative supplement would be borne by districts with shortfalls.

Social Security and Retirement Recommendation

Leave Social Security and retirement as non-WPU line item. Distribute on the basis of total WPUs as shown in Table 8. Estimate total amount by combining prior year allocation plus growth, percentage increase in the WPU, and Social Security and retirement rate changes.

TABLE 8
Social Security and Retirement Distributed by WPU

DISTRICT	FY 1988-89 TOTAL WPUs	DISTRIBUTION BY WPU ADJ FOR V. LEEWAY	FY 1988-89 ACTUAL SOC SEC & RET	DIFFERENCE ADJ FOR V. LEEWAY
1 Alpine	44,745.384	$9,506,544	$9,469,540	$37,004
2 Beaver	1,948.693	414,017	361,677	52,340
3 Box Elder	12,738.222	2,706,346	2,876,479	(170,133)
4 Cache	14,236.054	3,024,573	3,144,270	(119,697)
5 Carbon	7,234.674	1,537,069	1,541,243	(4,174)
6 Daggett	521.957	110,894	99,509	11,385
7 Davis	62,592.462	13,298,311	13,951,604	(653,293)
8 Duchesne	6,070.189	1,289,664	1,259,558	30,106
9 Emery	4,432.306	941,682	1,114,368	(172,686)
10 Garfield	2,139.368	454,527	336,775	117,752
11 Grand	1,915.938	407,058	441,807	(34,749)
12 Granite	90,922.519	19,317,277	18,818,146	499,131
13 Iron	6,538.775	1,389,219	1,265,569	123,650
14 Jordan	75,409.962	16,021,499	15,136,771	884,728
15 Juab	2,110.845	448,467	388,293	60,174
16 Kane	2,153.856	457,605	388,155	69,450
17 Millard	4,781.380	1,015,846	1,139,230	(123,384)
18 Morgan	2,079.033	441,709	477,861	(36,152)
19 Nebo	18,961.361	4,028,505	3,866,404	162,101
20 No. Sanpete	2,905.336	617,264	569,963	47,301
21 No. Summit	1,259.930	267,683	261,100	6,583
22 Park City	1,977.305	420,096	556,083	(135,987)
23 Piute	793.467	168,579	139,736	28,843
24 Rich	901.496	191,531	198,944	(7,413)
25 San Juan	5,046.489	1,072,170	1,104,513	(32,343)
26 Sevier	6,163.389	1,309,465	1,300,707	8,758
27 So. Sanpete	3,469.415	737,107	661,253	75,854
28 So. Summit	1,557.040	330,807	417,753	(86,946)
29 Tintic	621.303	132,001	69,203	62,798
30 Tooele	9,125.575	1,938,807	1,997,838	(59,031)
31 Uintah	8,061.504	1,712,736	1,806,611	(93,875)
32 Wasatch	3,778.786	802,836	876,336	(73,500)
33 Washington	14,711.882	3,125,667	3,042,799	82,868
34 Wayne	1,132.047	240,513	197,746	42,767
35 Weber	30,800.595	6,543,853	6,870,355	(326,502)
36 Salt Lake	30,993.388	6,584,814	6,915,826	(331,012)
37 Ogden	14,936.450	3,173,378	3,207,126	(33,748)
38 Provo	18,185.457	3,863,658	3,860,324	3,334
39 Logan	6,303.103	1,339,149	1,312,599	26,550
40 Murray	7,284.011	1,547,551	1,486,402	61,149
INSTITUTIONS	838.590	175,940	175,940	
U S O E	76.800			
UNALLOCATED	0.000			
RETIREMENT BD	1,568.836	3,588,659	3,588,659	
TOTAL	534025.172	$116,695,076	$116,695,076	

Teacher Incentives

Study Assignment

Determine whether incentives provided for educators by the school finance formula accomplish their intended purposes, and how they compare with other efforts around the country.

Background Information

Ten states currently using or planning teacher incentive programs were identified. Of these plans, those from Iowa, Oregon, Florida, Massachusetts, Indiana, Michigan, Tennessee, and Utah were examined. For public school teachers, states generally focus on career ladder type programs. These are either individual or school projects aimed at programmatic change, curriculum redesign, and the improvement of student outcomes. Typically, they call for teacher-designed plans and provide incentives that average $1,000. All programs investigated seem to discourage (a) plans which involve intra-building competition, and (b) financial rewards based upon performance-outcome comparisons which cannot be statistically validated. The research was aimed primarily at teacher incentives. Other incentive plans in use in Utah focus on students, schools, and districts. These are briefly summarized.

In Utah, incentives are provided for students, teachers, administrators and schools under a broad range of programs. Individually, several of these programs seem to compare closely in intent and design with other efforts around the country. This is particularly true of teacher career ladders. Taken as a whole, Utah's efforts appear to be more comprehensive and varied than most.

Iowa[12]

Iowa is entering the third year of its "Educational Excellence Program" which has three phases.

Phase I: Designed to ATTRACT EXCELLENT TEACHERS. Set beginning teacher salary at $18,000, effective 1987. The state funds the necessary amount to bring each teacher below $18k to that level. State also funds added Social Security and retirement.

Phase II: Designed to RETAIN EXCELLENT TEACHERS by providing for systematic annual salary increases and staff development. Each year the state provides $76.00 per FTE pupil, or $38,000,000 in year one (1988). Annual state infusion may be + or - $38,000,000.

Phase III: Designed to ENHANCE THE QUALITY, EFFECTIVENESS, AND PERFORMANCE OF IOWA'S TEACHERS by promoting teacher excellence. This is accomplished through supplemental pay for additional work and performance-based salary increments.

a. Supplemental pay is provided for assistance to new teachers, assumption of "lead teacher" positions, peer review programs, and development of new or experimental curricula or methods.

b. Performance pay is provided for individual teachers or attendance centers which adopt and achieve self-defined and state-approved goals. Teachers must "demonstrate superior performance in completing assigned duties." Attendance center plans may include "assessments of specific teaching behavior, assessments of student performance, assessments of other characteristics associated with effective teaching, or a combination of these criteria.

Oregon[13]

The state of Oregon is approaching school reform on three fronts, two of which relate to teacher incentives. The three programs are (a) the Beginning Teacher Support Program, (b) the School Improvement and Professional Development program, and (c) the 21st Century Schools Program.

Beginning Teacher Support Program: Initiated in 1987, this program provides a mentor (senior teacher) to support beginning teachers in their first year of service. Characteristics and early results are:

a. State provides $3,000 grant per beginning teacher to support the teacher through the services of a mentor. Funds **do not** go to the beginning teacher. The funds provide stipends for mentors and are used to defray the costs of the program such as the added administrative burden, workshops, travel, and for substitute teacher salaries.

b. Participants made greater gains in teaching skills the first year than non-participants. Other notable gains were in attitude and feelings about the occupation. Teaching skills of mentor teachers seem to improve as well. Participating beginning teachers' relationships with students is considered better.

School Improvement and Professional Development: Also initiated in 1987, this program was designed to enhance the professional development of educators and to encourage school initiatives for change and improvement.

a. Proposals originate from either individual teachers or schools. Grants of $1,000 per teacher per year are made and can be renewed if the project is successful. For FY 89, $2M (2,000 teachers) was allocated by the Oregon legislature.

b. Proposals are approved by a site committee and the state. Objectives include (1) new methods for students to learn, (2) improving school site decision making processes, (3) initiating school-business partnerships, and (4) initiating more school-parent collaboratives.

c. Outcome measures include (1) student achievement on state assessments, (2) college admission rates, (3) student attitudes, (4) drop-out rates, and (5) efficiency in use of buildings and supplies. Site committee conducts the evaluation.

21st Century Schools Program: The focus of this program is restructuring Oregon school operations, curricula, graduation standards, the school day and year, and professional relationships.

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Participation is on a district or building basis. Essentially, this program allows teachers, administrators, and parents to modify existing programs, curricula, or employment relationships in an effort to improve student outcomes. There is no financial incentive, but it is anticipated that educators will be motivated by the opportunity to have more influence in designing local programs to fit the unique circumstances and cultures of their individual communities.

Florida[14]

Florida initiated the District Quality Instruction Incentives Program in 1989. Its two primary goals are (a) to increase the performance of public school students, and (b) to provide economic incentives to instructional personnel.

Teachers may qualify for incentive pay on the bases of (a) outstanding attendance, (b) working in a critical specialty (math, science), (c) working in a geographical area experiencing a teacher shortage, (d) added schooling, and (e) satisfactory performance evaluation.

Schools may qualify for grants awarded through the Meritorious Schools program. Achieving the following types of goals would qualify a school for a grant:

(a) Increase in mean scores on the State Student Assessment Test.
(b) Increase in mean ACT scores.
(c) Increase in attendance in AP courses.
(d) Participation in science fairs, etc.
(e) Increases in math performance.
(f) Publish collected writings of students.
(g) Reduce fighting, vandalism.
(h) Increased number of scholarship recipients.
(i) Increased attendance.

Massachusetts[15]

The Public School Improvement Act (1985) of the state of Massachusetts awards funds under two programs, Formula Grants and Discretionary Grants.

Formula Grants: Under this plan, the state allocates $10.00 per pupil, or about $6M per year statewide, for (a) innovative academic programs, (b) expanded services to students, (c) purchase of instructional equipment, (d) cultural awareness programs, (e) community or parental involvement programs, and (f) school-business partnerships. Included in these grants are:

(a) $25M for EEO grants. This is directed to low income/low cost communities and is intended to raise them to state averages in per-pupil spending.

(b) $13M per year for three years to increase teacher salaries based upon additional training and responsibilities.

(c) $7M per year for Horace Mann Teacher Awards. This is a $2500 grant to certain teachers for curriculum development programs, drop-out prevention, and inservice instruction.

Discretionary Grants: Awarded to individual schools, on a competitive basis, for (a) improving basic skills of children in low SES communities, (b) establishment of early childhood education programs, (c) purchase of computers, (d) purchase of supplies, (e) to send administrators to the leadership academy, (f) to fund experimental, creative projects, and (g) improving student outcomes.

Indiana[16]

Indiana currently provides monetary rewards to schools or programs through its "Performance-based Awards Program." It also provides funds for class size reduction.

The awards program operates on two tiers, rewarding schools for improving on at least two of four indicators, (a) total pupil performance on the Indiana Statewide Testing for Educational Progress, (b) language arts scores, (c) mathematics scores, and (d) attendance rates. Tier-one rewards ($4M) are distributed per ADM to all schools which show any relative improvement, one year to the next. Tier-two rewards ($6M) are more competitive, being based upon the size of the gains. Funds may be spent on curricula, equipment, supplies, field trips, and staff development, but may not be spent on athletics or teacher salaries or bonuses.

The state currently spends $24,000 each for several added teacher positions and $8,000 each for instructional assistants in most elementary schools to reduce K-3 class size to 20 pupils. Teachers like it but superintendents do not because the Indiana legislature has not funded the added classrooms required. As a result, they rely heavily on relocatables.

Michigan[17]

Michigan has three incentive programs, none of which compensates teachers directly.

The state of Michigan has no state graduation requirements. The state does provide a one-time incentive of $30 per FTE student for districts to adopt a "state recommended" minimum graduation requirement.

An annual $5M appropriation goes to districts which raise scores on the state assessment test. It is directed primarily at low-performing districts and has been in effect 17 years.

Districts are paid $7 per pupil for class size reduction. The state has difficulty measuring the effect of this incentive, and thus far it is considered more of a funding supplement than an effective incentive.

Tennessee[18]

Tennessee has career ladders for teachers and administrators. The statutory language relating to teachers stresses career development and monetary incentives based upon (a) outstanding performance evaluation, (b) acceptance of additional responsibilities, and (c) acceptance of a year-round contract.

Post-probationary teachers (over 3 years of service) can receive performance rewards ranging from $2,200 to $3,600. Duties summarized in the statutes increase in responsibility as the seniority of the teachers increases. For example, teachers in the early years of Career Level I supervise student teachers and probationary teachers. Career Level II teachers assist in career development of newer teachers and work in gifted, remedial, and other enrichment programs. Other examples of additional responsibilities are working in, or supervising adult evening programs and before-and-after school care programs, drop-out prevention, parental involvement projects, and summer school programs.

Utah

While incentives are provided at each level in Utah—student, teacher, administrator, school, program, and district—virtually all are student-centered. This is in keeping with the fundamental philosophy that the public school system is in business to educate youth. Therefore, even programs which provide financial rewards, and even those which can be classified as competitive, are based upon student, program, or school outcomes.

Career ladders. This program was designed to attract and retain good teachers and to improve the quality of instruction in the state. It provides financial incentives for (a) extra work, (b) outstanding performance, (c) extended contract service, (d) assignment in teacher shortage areas, and (e) movement up the career ladder. This program is funded at approximately $34M per year.

Incentives for Excellence. Currently funded at $600,000, this program encourages districts to collaborate with private enterprise in creating jointly developed educational programs. State funds are distributed to districts on an equalized basis, contingent upon equal matching funds from private sector partners.

Awards for Excellence. A total of $200,000 will be distributed through the Governor's Office in the amount of $10,000 per school. The program is competitive. Winning schools may use the funds in either maintenance and operations or capital outlay categories.

Advanced Placement. Advanced placement programs allow students to attain college credit by attending AP classes and taking AP examinations while enrolled in high school. Thus, incentives are provided for early graduation and advanced standing upon college entry.

PEEPS. The Promoting Excellence and Efficiency in Public Schools (PEEPS) program provides $205,000 annually to districts for implementing programs which encourage cooperation in planning, cost reduction, and other reform efforts. Examples of PEEPS projects are curriculum revision plans and scheduling options.

Transportation. Statutes provide for the distribution of a sum of money to districts that are able to operate pupil transportation below the state-wide transportation cost curve. This program is not currently funded.

Vocational education. Two types of financial incentives are provided for vocational education programs. Under the first, districts may share a specific annual allocation for exceeding the state board's placement and competency standards. Under the second, an amount equal to 100 WPUs is provided to encourage small schools to send students to the larger, better equipped schools or vocational centers.

Arguments For Modifying Current Incentive Packages

1. More emphasis could be placed on student outcome measures as in the Connecticut model.
2. Most incentive plans are group, school, or project based, fewer plans are individual in nature.

Arguments Against Modifying the Current Incentive Packages

1. Utah currently is among the leading states in design and delivery of incentives to educators at the individual and building levels.
2. Tying incentives to student outcome measures is generally discouraged.

Incentives Recommendation

Given that the state of Utah has an exceptional set of incentives in place at the present time, it is recommended that, at least for now, no action be taken to alter current programs.

Consolidation of Special Purpose Programs

Study Assignment

Should the number of programs under the state supported Minimum School Program be reduced by combining selected Special Purpose Programs into one program, and should part of the funds be distributed to school districts by formula?

Background Information

The increase in the number of programs since 1973 noted in the introduction also involves this classification. Experimental Programs, Productivity Study, Year-round Schools, Outcome-based Education, and Technology/New Delivery Systems are Special Purpose Programs for which funds are allocated to school districts through applications approved by the State Office of Education. They can, therefore, logically be combined into one program.

Arguments For Combining Selected Special Purpose Programs Into One Program and Allocating Part of the Funds by Formula

1. A statewide survey conducted by the School Finance Task Force revealed that districts would like to see consolidation or reduction in programs, and combining these programs would contribute to that effort.
2. As is the case with Special Purpose Optional Programs, the number of programs in this classification complicates the work of the legislature each year. It is time-consuming and puts the legislature in the policy-making role which more logically rests with the State Board, State Office, and local boards.
3. Combining programs would allow a shift of much decision-making from higher levels of government to local levels and would give them more flexibility in the use of funds.
4. Distributing part of the funds by formula will provide greater equity and will further enable a shift of decision-making from the state level to the local level.

Arguments Against Combining Selected Special Purpose Programs Into One Program and Allocating Part of the Funds by Formula

1. If programs are combined, the identity of some priority programs may be lost and, consequently, some programs may disappear.
2. Allocating part of the funds by formula will reduce the role of the State Board of Education in controlling expenditure of the funds.
3. Often, when program changes are made, funding formulas are also changed with the result

that some districts gain funds and others lose funds. These changes may increase or decrease overall equity.

Special Purpose Programs Recommendation

Five Special Purpose Programs (Experimental Programs, Productivity Study {excluding Incentives for Excellence}, Year-round Schools, Outcome-based Education, and Technology/New Delivery Systems) should be combined into one program. The title of the combined program should be "Experimental-Developmental Program."

Program funds should be allocated to school districts as follows: Twenty five percent as a uniform base to each district, 25% based on K-12 plus small schools WPUs, and 50% based on standards and guidelines established by the State Board of Education and allocated to school districts through requests approved by the State Office of Education. School districts should be held to a high degree of accountability in the use of these funds.

TABLE 9
Consolidation of Selected Special Purpose Programs

DISTRICT	25% Base Allocation	25% Based on K-12 & Small Schools WPUs	50% State Board for Allocation	Total
1 Alpine	$25,094	$86,582		$111,677
2 Beaver	25,094	3,791		28,885
3 Box Elder	25,094	24,607		49,701
4 Cache	25,094	27,999		53,094
5 Carbon	25,094	12,957		38,052
6 Daggett	25,094	883		25,978
7 Davis	25,094	119,920		145,014
8 Duchesne	25,094	10,822		35,917
9 Emery	25,094	8,707		33,802
10 Garfield	25,094	4,002		29,097
11 Grand	25,094	3,330		28,424
12 Granite	25,094	173,349		198,443
13 Iron	25,094	12,380		37,474
14 Jordan	25,094	145,389		170,484
15 Juab	25,094	3,770		28,865
16 Kane	25,094	4,279		29,374
17 Millard	25,094	8,678		33,772
18 Morgan	25,094	4,034		29,129
19 Nebo	25,094	37,093		62,188
20 No. Sanpete	25,094	5,334		30,428
21 No. Summit	25,094	2,340		27,434
22 Park City	25,094	3,695		28,790
23 Piute	25,094	1,345		26,439
24 Rich	25,094	1,633		26,728
25 San Juan	25,094	9,111		34,205
26 Sevier	25,094	11,723		36,817
27 So. Sanpete	25,094	6,283		31,377
28 So. Summit	25,094	2,870		27,964
29 Tintic	25,094	1,050		26,144
30 Tooele	25,094	17,441		42,535
31 Uintah	25,094	14,629		39,724
32 Wasatch	25,094	6,779		31,874
33 Washington	25,094	28,631		53,726
34 Wayne	25,094	2,008		27,103
35 Weber	25,094	58,369		83,464
36 Salt Lake	25,094	55,362		80,457
37 Ogden	25,094	26,651		51,745
38 Provo	25,094	29,596		54,690
39 Logan	25,094	12,204		37,298
40 Murray	25,094	14,145		39,240
State Board	25,094		$2,007,550	2,007,550
TOTAL	$1,003,760	$1,003,771		$4,015,102

Combined Programs:	Experimental	$321,000
	Productivity Programs	1,137,700
	Year-round Schools	1,200,000
	Outcome-based Education	1,156,400
	Technology/New Delivery Systems	200,000

Youth in Custody

Study Assignment

Should the method of allocating Youth in Custody funds be changed to a distribution formula?

Background Information

The Youth in Custody grant money was provided by the legislature to "follow" the students from the old Youth Development Center to community-based programs within the districts that were now serving these students at a home-based school. Students must be in the custody of Youth Corrections or the Division of Family Services.

> 53-2-12.3 "...who are in the custody of a state agency other than the state training school........shall be directly responsible for the education of all juveniles who are being held in a detention facility. The state board of education shall, where feasible, contract with local school districts or other appropriate agencies to provide educational, administrative and supportive services, but the state board of education shall retain responsibility for the programs."

> R300-709-4 Section C. "State funds appropriated for youth in custody are allocated on the basis of annual applications made by local districts. The share of funds distributed to a district is based upon criteria which includes the number of youth in custody served in the district, the type of program required for the youth, the setting for providing services, and the length of the program. Funds approved for youth in custody projects can be expended only for the purposes described in the respective funding application. Unexpended funds may not be carried over from one fiscal year to the next, except by specific approval of the Board or designee."

The opinion of the State Advisory Council is that each program is so different, so unique in its service pattern and in the clientele it serves, no formula funding would be sufficient. Some of the programs are long-term secure facilities. Others offer only one or two hours of school a day. These differences are further complicated by the severity of the behavior problems as interpreted by the various communities served.

Arguments For Not Changing the Present Method of Allocating Funds for Youth in Custody

1. It is the feeling of some individuals that because each program is so different and unique in its service pattern and in its clientele that no funding formula would be sufficient.
2. The State Advisory Council has taken more authority in the last three years in reading of the grant awards and in the formulating of guidelines for services and allotments. Guidelines have been formulated for the detention centers (SUD), the observation units (SO) and the tracking units (RST).

Arguments For Changing the Present Method of Allocating Funds for Youth in Custody

1. Distributions were previously based on grants written by the districts with little scrutiny of the services as described in the grants.
2. The Council is not in agreement as to the adequacy of the present guidelines, and there is some feeling that additional refinement is still necessary.
3. The present system allocates funds independently each year based on approval of the grant application.
4. Program directors do not know what to expect in the way of funding from one year to the next. An allocation based on some criteria, such as the number and type of students served, would be more consistent with other areas of the school finance code.
5. The council is made up of 15 members who serve 3 year terms. Almost all of the members are from outside agencies. The school districts are not well represented and yet are responsible for providing the services.
6. The state does meet with program directors, but they do not examine grants. These meetings are for information exchange. They do not have any voting power.
7. The actual allocation of funds may be arbitrary, since it is based on the subjective judgment of the persons reviewing the submitted grant proposals.
8. Funds are sometimes held for grants that have missed the deadline, and some are allocated without the action of the full committee.

Items for Consideration

A recent comparison of enrollments and allocations per district shows a great variance in the amount received per student. This may indicate that some type of formula distribution should be considered, or it could mean that the programs are so different that a "level' type of funding (e.g. Utah's special education formula) would not be appropriate.

Youth in Custody Recommendations

1. Because of the unique nature of the programs, it is recommended that there be no change in the wording of the school finance law. The present language indicates that "Funds shall be allocated to school districts which operate programs for youth in custody in accordance with standards promulgated by the State Board of Education."
2. The YIC people have indicated that the funding procedures will continue to be adjusted and refined and have made the following suggestions:
    a. The application will further specify specific anticipated, demonstrated student accomplishment for each service code.

b. The general application would be a base for a three year period with specific interim changes and refinements identified in writing; approved by the local YIC Advisory Committee and submitted to a three member committee for USOE approval.

c. The budget section and some of the supporting document pages of the application would be submitted annually for review and approval.

d. Each application or program would be evaluated by the USOE or some designee at least each third year with specific written recommendations submitted to the district YIC Director, Chairman of the Local YIC Council, Utah Coordinating Council for Youth In Custody and put on file.

e. Each service code would have specific USOE minimum standards including a base for budget allocation.

f. Program budget adjustments would be made (1) annually, (2) at the time for program evaluation, or (3) at the time of approved specific program adjustments.

Program, statistical, and budget data are available and will continue to be collected for review and further refinement of the program.

3. It is also recommended that the State Office and the various committees carefully consider the use of some type of formula for the allocation of funds where it is appropriate. (see suggested criteria, below). It was indicated that the YIC Director should report back to the sub-committee to review their progress and changes within 90 days.

Suggested Criteria

If a formula is developed it should take into account the following items:

1. A **Pupil/teacher ratio** that is adequate in the various settings. In secure lock-up facilities the ratio now used is approximately 4 to 1. In the school based classrooms the ratio is closer to 8 to 1. The trackers usually have approximately 15 students for a caseload.

2. This subcommittee concluded that **YIC does not comply with special education requirements**.

> R300-709-4 Section E. "The youth in custody program is separate from, and not conducted under, the state's education program for the handicapped."

3. Most of the students that are served in the lock-up, and/or residential settings would be considered **severe behavior disordered** and many of the students in the school based youth-in-custody classrooms would fall into this category.

4. **Security issues**: whether the program is a lock-up secure unit, a residential unit, a unit based in the public school setting, or a home schooling or tutorial situation.

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5. The **quality and quantity of required assessment and evaluation**, mandated by each program including reports to the court system, must be considered.

    The cost of service is also affected by the therapeutic involvement of the educational staff.

6. If a unit is **based in a public school** the total responsibility for the youth lies with the teacher and the aide. In agencies, the youth corrections and/or mental health workers are available to help in emergency situations.

7. The **length of stay** is an important factor. For example, the state is responsible for all youth in detention including the Salt Lake Detention Center. While some youth attend school for over one quarter of the school days per year, detention is considered a short term setting because the average length of stay is seven days. Generally, programs with longer average lengths of stay are more expensive to operate.

8. The **community resources** (e.g. libraries, field trips, vocational lab) that are available to youth are also considered in determining funding, since this follows the state's philosophy of community based programs.

9. **Federal monies** are considered supplementary to the programs, but with this support the programs are in a better position to offer the students more. Therefore, whether a YIC program receives additional federally funded personnel should be considered.

10. Some rural districts serve very few students, but need the youth in custody resources to give additional help to these youth. There should be a **minimum funding of $5,000** per grant for districts that serve just a few custodial students.

Utilities and Insurance

Study Assignment

Should the total number of programs under the state supported Minimum School Program be reduced by deleting Utilities and Insurance as a Special Purpose Program and using the appropriation for this program to increase the value of the weighted pupil unit (WPU)?

Background Information

Since 1973-74, Special Purpose Programs have grown in number from 3 to 12, including Utilities and Insurance. The Utilities and Insurance Program was established during a period of rapidly escalating costs of electricity, fuel, and property insurance. The program was established to help offset the rapidly escalating costs.

Arguments For Deleting the Utilities and Insurance Program and Using the Appropriation to Increase the Value of the WPU

1. The costs of utilities and insurance have stabilized, reducing the need to keep the programs separate.
2. Appropriations for this program presently pay only a small portion of the actual costs of utilities and insurance.
3. The basic funding of schools should be through the WPU rather than through Special Purpose Programs.
4. A statewide survey conducted by the Task Force showed widespread support for eliminating the Utilities and Insurance Program and using the appropriation for this program to increase the value of the weighted pupil unit.
5. The large number of individual programs complicates the process of allocating and distributing funds as noted previously. Eliminating the Utilities and Insurance Program would contribute to the effort to streamline the Minimum School Program.

Arguments Against Deleting the Utilities and Insurance Program

1. If the program is deleted, the identity of the program could be lost and it may become more difficult for school districts to preserve funds for utilities and insurance needs.
2. Like other significant changes in school finance formulas, an effect of this change could be that some districts would lose funds while others would gain funds. This has implications for taxpayer and student equity.

Utilities and Insurance Recommendation

The Utilities and Insurance Program should be deleted and the appropriation for this program used to increase the value of the weighted pupil unit.

TABLE 10
Redristribution Effects of Deleting Utilities and Insurance Program and Increasing the Value of the WPU

DISTRICT	Total Funds For WPUs 1988-89	Utilities & Insurance 1988-89	Total	Revised Funds For WPUs at $1224.79/WPU	Change	Percent Change
1 Alpine	$53,872,858	$962,830	$54,835,688	$54,803,318	($32,370)	-0.06%
2 Beaver	2,346,170	34,502	2,380,672	2,387,120	6,448	0.27%
3 Box Elder	15,306,568	270,136	15,576,704	15,570,781	(5,923)	-0.04%
4 Cache	17,139,983	310,293	17,450,276	17,436,139	(14,137)	-0.08%
5 Carbon	8,710,599	137,050	8,847,649	8,861,370	13,721	0.16%
6 Daggett	628,424	5,255	633,679	639,341	5,662	0.89%
7 Davis	75,361,156	1,336,468	76,697,624	76,662,181	(35,443)	-0.05%
8 Duchesne	7,307,421	111,664	7,419,085	7,433,263	14,178	0.19%
9 Emery	5,289,445	88,983	5,378,428	5,380,511	2,083	0.04%
10 Garfield	2,573,823	29,018	2,602,841	2,618,605	15,764	0.61%
11 Grand	2,265,120	36,040	2,301,160	2,303,834	2,674	0.12%
12 Granite	109,471,201	1,938,026	111,409,227	111,361,763	(47,464)	-0.04%
13 Iron	7,872,563	132,873	8,005,436	8,008,915	3,479	0.04%
14 Jordan	90,793,800	1,616,543	92,410,343	92,361,565	(48,778)	-0.05%
15 Juab	2,541,502	38,708	2,580,210	2,585,536	5,326	0.21%
16 Kane	2,593,217	35,763	2,628,980	2,638,202	9,222	0.35%
17 Millard	5,756,829	93,904	5,850,733	5,855,731	4,998	0.09%
18 Morgan	2,503,051	43,884	2,546,935	2,546,343	(592)	-0.02%
19 Nebo	22,829,142	410,596	23,239,738	23,223,281	(16,457)	-0.07%
20 No. Sanpete	3,495,687	56,873	3,552,560	3,555,571	3,011	0.08%
21 No. Summit	1,515,393	22,637	1,538,030	1,542,013	3,983	0.26%
22 Park City	2,380,631	40,339	2,420,970	2,421,414	444	0.02%
23 Piute	955,306	9,187	964,493	971,260	6,767	0.70%
24 Rich	1,085,403	13,056	1,098,459	1,103,538	5,079	0.46%
25 San Juan	6,076,065	90,219	6,166,284	6,181,525	15,241	0.25%
26 Sevier	7,420,610	118,801	7,539,411	7,548,393	8,982	0.12%
27 So. Sanpete	4,177,733	66,304	4,244,037	4,250,028	5,991	0.14%
28 So. Summit	1,874,675	26,310	1,900,985	1,907,001	6,016	0.32%
29 Tintic	748,032	5,406	753,438	760,596	7,158	0.95%
30 Tooele	10,987,419	184,525	11,171,944	11,177,452	5,508	0.05%
31 Uintah	9,708,350	162,693	9,871,043	9,875,498	4,455	0.05%
32 Wasatch	4,549,817	74,831	4,624,648	4,628,489	3,841	0.08%
33 Washington	17,712,577	312,488	18,025,065	18,017,915	(7,150)	-0.04%
34 Wayne	1,362,956	16,198	1,379,154	1,386,465	7,311	0.53%
35 Weber	37,084,768	648,698	37,733,466	37,724,818	(8,648)	-0.02%
36 Salt Lake	37,318,321	630,753	37,949,074	37,962,428	13,354	0.04%
37 Ogden	17,985,704	304,318	18,290,022	18,295,943	5,921	0.03%
38 Provo	21,896,033	336,101	22,232,134	22,274,067	41,933	0.19%
39 Logan	7,589,249	136,558	7,725,807	7,719,864	(5,943)	-0.08%
40 Murray	8,769,890	157,369	8,927,259	8,921,385	(5,874)	-0.07%
TOTAL	$639,857,491	$11,046,200	$650,903,691	$650,903,462	($229)	

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*The Utilities and Insurance appropriation divided by total WPUs equals $20.79 per WPU. That amount added to the 1988-89 WPU value of $1204 results in a revised value of $1224.79

Modification of Minimum School Program Allocation Formula

Study Assignment

Should the basis for allocating basic Minimum School Program funds among school districts be changed?

Background Information

Currently, basic program WPUs are allocated using both actual and prior year data. Funds for both Vocational/Technical Education and Handicapped Regular district programs are allocated on the basis of prior year levels of funding plus current growth if more than one percent. Adult High School Completion funds are allocated on the basis of the prior year as well as census data, but without a growth factor. All other basic program WPUs are allocated on the basis of actual current year data.

Since 85%-90% of the funds are allocated on the basis of current year data, districts typically don't know what their entitlements are until several months after the school year is over. In order to minimize this uncertainty, the State Office prepares five sets of estimates over a 20-month period: (a) Legislative Estimates at the conclusion of the legislative session, (b) a Fall Update after the fall enrollment count is completed, (c) a Spring Update once better tax data are available, (d) the Prefinal after the school year ends and actual student membership data are available, and (e) the Final Settlement after districts have had a chance to review and comment on the Prefinal data.

Differences between initial Legislative Estimates and the Final Settlement can vary from less than 1% to as much as 10 %. The amount of the variability depends on the size of the district, the accuracy of early enrollment and membership projections, and tax collections. While the current method for allocating basic program funds has served districts well, there is potential for improvement.

Arguments For Changing the Current Funding Basis

1. Managing the budgeting cycle is currently quite burdensome for both the districts and the State Office. For example, it would be helpful if districts knew their actual entitlements earlier for planning and administrative purposes. Furthermore, eliminating the need to re-figure the budget five times during the year would save significant time, money, and frustration.

2. The delivery of public education services lacks certain stability since district officials don't know their actual entitlements until well after the end of the school year in which the funds have been expended. Stability can be improved by making district allocations less dependent on early enrollment and membership projections. It would also reduce the impact of short-term fluctuations in tax collections.

Arguments Against Changing the Current Funding Basis

1. Real variability in district estimates over the budgeting cycle is relatively small, considering that it is a function of both enrollment projections and tax collections.

2. The current actual basis for allocating basic program funds is probably the most "fair." All districts–growing, stable, or declining–are generally treated the same.

Alternatives

The Study Committee compared alternative methods for allocating funds for small schools, kindergarten, and grades 1-12: (a) the current method based mostly on actual data and some on prior year data, (b) allocating funds based on the October 1 fall enrollment head count, (c) using prior year data alone as the basis for allocating funds, and (d) allocating funds on the basis of prior year data plus a growth factor for the current year.

Basic Formula Recommendation

It is recommended that we adopt an allocation formula based on prior year data plus a factor for current growth if more than 1%.

(a) This method allows districts to know their actual entitlements much earlier than is currently possible. By using actual data, it greatly reduces the need for periodic reestimation. It brings additional stability to the funding process by making district allocations less dependent on enrollment and membership projections.

(b) Using prior year data plus growth will actually reduce variability in district estimates over time. Furthermore, the method ensures a high degree of fairness—growing districts are not punished for their growth while declining districts are given an "extra" year to adjust (except in the case of Necessarily Existent Small Schools).

(c) The method would continue to be driven by membership (and the 10-day rule).

Changing to a prior year plus growth basis does result in some redistribution of funds among the districts. Table 11 shows the "winners" and "losers." For example, Garfield district was a relatively big loser because of lack of growth in both the small schools and grades 1-12.

Kane district showed declines in both small schools and kindergarten. While Kane showed a grades 1-12 enrollment gain of 2.2%, it was not enough to overcome the "small-numbers" phenomenon—an increase of only 27 WPUs out of almost 8,400 additional WPUs generated using prior year plus growth. Kane's share of WPUs generated increased from 3.31% to 3.39%. This was overwhelmed by the relatively larger drop in share of small schools funds.

Tintic district was also hurt by its relatively small size. While enrollments declined in kindergarten, they increased in both small schools and grades 1-12. Although small school enrollments increased 3.0%, this only represented 6 WPUs out of almost 5,800 generated using prior year plus growth. Tintic's share of WPUs actually generated fell from 3.97% to 3.38%. While grades 1-12 enrollments increased 4.3 percent, this only represented 8 WPUs out of almost 8,400 additional WPUs generated using prior year plus growth. Tintic's share of WPUs generated fell from 5.06% to 5.04%.

Wasatch district experienced declining enrollments in all three programs. Murray district, while not affected by small schools, experienced declining enrollments in both kindergarten and grades 1-12.

Three final points should be emphasized. First, this analysis has only involved three programs—Necessarily Existent Small Schools, kindergarten, and grades 1-12. A complete analysis of the entire basic program could conceivably produce different results.

Second, the small schools program seems to be a particular problem for the "losers," as shown in Table 11. Recommended changes to the Necessarily Existent Small Schools formula are presented elsewhere in the present study.

Finally, changing the way funds are allocated is not a cure-all. The potential for volatility in tax collections remains. Hence, the possibility of "floating" the value of the WPU remains. An adequate "rainy day" fund may be part of the answer. Ideally, we should build the best formulas we can, and once they are in place, they should be fully funded at whatever they generate. Knowing the dollars is not enough—a way must still be found to guarantee the value of the WPU.

TABLE 11
Effects of Adopting Prior Year Plus Growth as Basis for Allocating Basic Program Funds (K-12 and Small School)

DISTRICT	ACTUAL ALLOCATIONS 1988-89 **	REVISED ON PRIOR YEAR PLUS GROWTH *	FUNDING CHANGE	PERCENT CHANGE
1 Alpine	$42,176,191	41,938,911	($237,280)	-0.56%
2 Beaver	1,846,699	1,862,852	16,153	0.87%
3 Box Elder	11,986,534	12,055,008	68,474	0.57%
4 Cache	13,639,033	13,768,758	129,725	0.95%
5 Carbon	6,311,883	6,351,512	39,629	0.63%
6 Daggett	430,317	423,979	(6,338)	-1.47%
7 Davis	58,415,806	58,552,096	136,290	0.23%
8 Duchesne	5,271,876	5,330,181	58,305	1.11%
9 Emery	4,241,605	4,271,953	30,348	0.72%
10 Garfield	1,949,667	1,883,225	(66,442)	-3.41%
11 Grand	1,622,135	1,709,638	87,503	5.39%
12 Granite	84,442,264	84,742,861	300,597	0.36%
13 Iron	6,030,430	6,027,164	(3,266)	-0.05%
14 Jordan	70,822,479	70,633,063	(189,416)	-0.27%
15 Juab	1,836,687	1,823,799	(12,888)	-0.70%
16 Kane	2,084,534	2,001,117	(83,417)	-4.00%
17 Millard	4,227,072	4,304,345	77,273	1.83%
18 Morgan	1,965,143	1,955,421	(9,722)	-0.49%
19 Nebo	18,068,918	17,855,215	(213,703)	-1.18%
20 No. Sanpete	2,598,210	2,629,684	31,474	1.21%
21 No. Summit	1,139,836	1,149,256	9,420	0.83%
22 Park City	1,800,150	1,768,326	(31,824)	-1.77%
23 Piute	654,989	649,811	(5,178)	-0.79%
24 Rich	795,694	825,655	29,961	3.77%
25 San Juan	4,438,018	4,434,996	(3,022)	-0.07%
26 Sevier	5,710,493	5,786,904	76,411	1.34%
27 So. Sanpete	3,060,526	3,130,363	69,837	2.28%
28 So. Summit	1,397,808	1,437,454	39,646	2.84%
29 Tintic	511,392	471,560	(39,832)	-7.79%
30 Tooele	8,495,766	8,558,508	62,742	0.74%
31 Uintah	7,126,267	7,122,857	(3,410)	-0.05%
32 Wasatch	3,302,368	3,240,684	(61,684)	-1.87%
33 Washington	13,947,033	13,926,141	(20,892)	-0.15%
34 Wayne	978,364	1,010,667	32,303	3.30%
35 Weber	28,433,099	28,482,400	49,301	0.17%
36 Salt Lake	26,968,317	27,031,398	63,081	0.23%
37 Ogden	12,982,140	12,951,002	(31,138)	-0.24%
38 Provo	14,416,786	14,598,604	181,818	1.26%
39 Logan	5,944,712	5,873,351	(71,361)	-1.20%
40 Murray	6,890,488	6,760,840	(129,648)	-1.88%
TOTAL	$488,961,729	$489,331,559	$369,830	

*Greater than 1% growth in enrollment, October, 1988 to October, 1989
**Total 1988-89 Appropriation for the three programs was $489,677,636

Consolidation of Special Purpose Optional Programs

Study Assignment

Should the total number of programs in the state supported Minimum School Program be reduced by combining all Special Purpose Optional Programs into one program?

Background Information

In 1973-74 the state supported Minimum School Program consisted of 30 required line items. Since then, 21 additional programs have been added, so that in the current fiscal year there are 51 required line item programs.

The total appropriation for Special Purpose Optional Programs is, in effect, a block grant for those programs. School districts are free to spend the total amount allocated as they see fit in any or all of the programs included in this category.

Arguments For Reducing the Number of Special Purpose Optional Programs

1. A statewide survey conducted by the Task Force showed that the growth in the number of individual programs is a priority concern of the respondents.
2. The large number of individual programs complicates the process of allocating and distributing funds to school districts.
3. Each year, in enacting the school finance bill, the legislature must consider each individual program. This procedure is time-consuming and puts the legislature in the position of making program and policy decisions that should be made by the state and local boards of education.
4. Lobbying for special purpose optional programs will be shifted from the legislature to local boards of education.
5. Reducing the number of programs will enable a shift of program decision making from higher levels of government to the local level.

Arguments Against Reducing the Number of Special Purpose Optional Programs

1. If programs are combined or blocked, the identity of some priority programs may be lost and, consequently, some programs may disappear.
2. Individual programs, with restrictions on how program funds are to be spent, helps school districts in budgeting and in resisting pressures to spend more or less in some programs.

3. Often when program changes are made, funding formulas are also changed with the result that some districts gain funds and others lose funds. It is important to note that when formulas are changed, the overall equity in the system may be affected.

Special Purpose Optional Program Recommendation

All Special Purpose Optional Programs should be combined into one program. For the benefit of small school districts, each school district should be given a base allocation of 10 weighted pupil units with the balance of the appropriation allocated on the basis of each district's K-12 WPUs. The result of such a distribution is shown in Table 12.

The title of the combined program should be Consolidated Special Purpose Optional Programs with the requirement that the appropriation for this program be spent for any or all of the following purposes: Instructional Media Centers, Extended Year, Compensatory Education, Elementary School Guidance, Community Education, Career Education, Education Field Trips, Elementary Music, Textbooks, Responsible Parenthood, Bilingual Education, Class Size Reduction, Special Needs, Advanced Placement, and Concurrent Enrollment.

TABLE 12
Consolidation of Special Purpose Optional Programs

DISTRICT	Actual Allocations 1988-89	Consolidated Allocations*	Funding Change	Percent Change
1 Alpine	$1,154,303	$1,190,113	$35,810	0.031
2 Beaver	53,544	55,308	1,764	0.033
3 Box Elder	349,408	342,669	(6,739)	-0.0193
4 Cache	380,044	393,008	12,964	0.0341
5 Carbon	174,860	180,849	5,989	0.0342
6 Daggett	17,536	18,581	1,045	0.0596
7 Davis	1,632,622	1,643,721	11,099	0.0068
8 Duchesne	149,732	146,224	(3,508)	-0.0234
9 Emery	125,665	122,967	(2,698)	-0.0215
10 Garfield	52,092	47,802	(4,290)	-0.0824
11 Grand	54,060	56,002	1,942	0.0359
12 Granite	2,396,711	2,370,697	(26,014)	-1.09
13 Iron	172,522	175,637	3,115	0.0181
14 Jordan	1,908,486	1,990,267	81,781	0.0429
15 Juab	59,757	59,148	(609)	-0.0102
16 Kane	55,758	56,472	714	0.0128
17 Millard	131,059	127,486	(3,573)	-0.0273
18 Morgan	61,955	66,931	4,976	0.0803
19 Nebo	507,798	516,744	8,946	0.0176
20 No. Sanpete	83,512	82,032	(1,480)	-0.0177
21 No. Summit	37,952	40,073	2,121	0.0559
22 Park City	57,742	61,484	3,742	0.0648
23 Piute	22,185	23,577	1,392	0.0628
24 Rich	28,583	28,051	(532)	-0.0186
25 San Juan	140,164	121,990	(18,174)	-0.1297
26 Sevier	160,059	159,371	(688)	-0.0043
27 So. Sanpete	92,471	93,426	955	0.0103
28 So. Summit	42,375	44,258	1,883	0.0444
29 Tintic	18,699	18,757	58	0.0031
30 Tooele	233,720	238,559	4,839	0.0207
31 Uintah	224,024	208,074	(15,950)	-0.0712
32 Wasatch	98,634	103,011	4,377	0.0444
33 Washington	387,369	396,040	8,671	0.0224
34 Wayne	32,084	32,092	8	0.0003
35 Weber	752,949	803,220	50,271	0.0668
36 Salt Lake	851,687	765,324	(86,363)	-0.1014
37 Ogden	423,477	374,660	(48,817)	-0.1153
38 Provo	431,029	414,732	(16,297)	-0.0378
39 Logan	191,411	178,089	(13,322)	-0.0696
40 Murray	203,914	204,506	592	0.0029
APPROPRIATION	$13,951,952	$13,951,952	0	

*Instructional Media Centers, Extended Year, Compensatory Education, Elementary Music and Guidance, Community Education, Career Education, Field Trips, Responsible Parenthood, Bilingual Education, Class Size Reduction, Special Needs, Textbooks.

Transportation

Study Assignment

Determine whether the current transportation funding process can be converted from a cost-reimbursement method to a generation-type formula, such that year-total allocations could be known early in the school year.

Background Information

Historically, transportation funding for schools has been done on a district-by district cost reimbursement basis. This method was necessitated by the diversity of district characteristics, including the relative distances of students' homes from schools, topography, student populations, and the singular character of special education students' transportation needs. Funding under such conditions is extraordinarily time-consuming and allows local communities little opportunity to define—and meet—their own transportation needs. In short, the current mechanism favors state control. It has been proposed that if a generation formula can be devised, control of transportation can be shifted from the state to the district. That is, districts would receive a monthly allocation for transportation and could spend the funds according to district priorities, without interference from the state.

Arguments For Modification of the Transportation Formula

1. The state would be less involved in transportation decisions and local districts would set their own priorities.
2. District officials would know their transportation budgets early in the school year.
3. Promotes cost savings by encouraging efficiency in operations. Districts would retain funds remaining after expenses have been met.

Arguments Against Modification of the Transportation Formula

1. Cost basis is the most accurate allocation formula—one cannot argue that actual costs can be documented and audited.
2. Any linear formula cannot account for the outliers—the districts that have extraordinary circumstances that defy the averages.

Alternatives

1. Maintain the current transportation funding formula.
2. Consider the Washington model.[19] This is an accurate prediction model. Adoption of this model would require state-wide recalculation of mileage charts, purchase of digitizing hardware, and training of personnel.

3. Consider the Michigan model. This formula allocates funds on the basis of density, students, and routes, and provides weighted allocations for special routes.

4. Tailor the Michigan model to fit Utah transportation needs. If this alternative were chosen, distribution could be accomplished under four different scenarios:

   a. Distribution based on (1) eligible students, modified for density, (2) route allowance modified for density, and (3) mileage allowance.

   b. Distribution based on (1) eligible student allowance of $11.00 per student, (2) bus allowance of $3,000 per bus, (3) mileage allowance of $1.00 per mile, and (4) density allowance for regular students and special education students.

   c. Distribution based on (1) eligible student allowance of $20.00, (2) mileage allowance of $.51 per mile, (3) Travel time allowance of $10.00 per hour, per bus, and (4) a density adjustment.

   d. Distribution based on (1) operation costs at $.21 per mile, (2) driver costs at $14 per hour, and (3) equipment, and overhead costs at $6,500 per bus.

Transportation Recommendation

1. Adopt the generation-type transportation funding formula shown in Table 13. This formula provides (a) a mileage allowance of $.21 per mile to cover the cost of fuel, oil, and tires, (b) a driver allowance of $14 per hour for driver salaries and benefits, and (c) an equipment and overhead allowance of $6,500 per bus.

2. In order for a bus to receive the bus allowance, it must meet all Federal and State Regulations and Standards. Any vehicle used that does not meet these standards will **not** be eligible for a bus allowance.

3. In order to encourage timely replacement of buses, the maximum annual bus allowance will be as follows:

1st thru 10th year	$6,500
11th Year	$5,000
12th Year	$4,000
13th Year	$3,000
14th Year	$2,000
15th Year & beyond	$1,000

TABLE 13
Transportation Formula Base on Students, Miles, Travel Time, and Busses

DISTRICT	ELIGIBLE STUDENTS	APPROVED MILES	TOTAL TRAVEL TIME	BUSES USED ON ELIGIBLE ROUTES	AVERAGE STUDENT PER BUS	ELIGIBLE BUS ALLOWANCE	MILEAGE ALLOWANCE	TRAVEL TIME ALLOWANCE	SUB TOTAL	PREDICTED TOTAL ALLOWANCE	ALLOCATION FOR 1988-89	TOTAL FOR HOLD HARMLESS
01 ALPINE	13,179	1,192,344	90,180	104	127	676,000	250,392	1,262,520	2,188,912	2,188,912	2,274,858	(85,946)
02 BEAVER	249	41,279	2,250	5	50	32,500	8,669	31,500	72,669	72,669	55,993	16,676
03 BOX ELDER	4,542	932,226	52,740	68	67	442,000	195,767	738,360	1,376,127	1,376,127	1,191,798	184,329
04 CACHE	7,047	665,698	69,840	73	97	474,500	139,797	977,760	1,592,057	1,592,057	1,125,692	466,365
05 CARBON	2,336	248,407	16,020	29	81	188,500	52,165	224,280	464,945	464,945	490,655	(25,710)
06 DAGGETT	144	35,556	2,160	5	29	32,500	7,467	30,240	70,207	70,207	92,344	(22,137)
07 DAVIS	13,583	1,471,668	112,860	112	121	728,000	309,050	1,580,040	2,617,090	2,617,090	2,352,733	264,357
08 DUCHESNE	3,036	316,426	19,440	42	72	273,000	66,449	272,160	611,609	611,609	553,355	58,254
09 EMERY	2,098	230,730	10,620	26	81	169,000	48,453	148,680	366,133	366,133	403,220	(37,087)
10 GARFIELD	297	84,523	3,600	10	30	65,000	17,750	50,400	133,150	133,150	112,780	20,370
11 GRAND	618	72,101	6,624	7	88	45,500	15,141	92,736	153,377	153,377	141,910	11,467
12 GRANITE	14,972	1,721,439	129,600	105	143	682,500	361,502	1,814,400	2,858,402	2,858,402	2,860,274	(1,872)
13 IRON	2,485	414,731	19,980	38	65	247,000	87,094	279,720	613,814	613,814	452,605	161,209
14 JORDAN	15,332	1,823,194	135,180	127	121	825,500	382,871	1,892,520	3,100,891	3,100,891	3,094,449	6,442
15 JUAB	436	53,208	3,780	9	48	58,500	11,174	52,920	122,594	122,594	90,168	32,426
16 KANE	446	50,888	3,420	12	37	78,000	10,686	47,880	136,566	136,566	88,566	48,000
17 MILLARD	2,171	298,806	20,340	34	64	221,000	62,749	284,760	568,509	568,509	568,005	504
18 MORGAN	1,060	145,980	9,270	15	71	97,500	30,656	129,780	257,936	257,936	196,071	61,865
19 NEBO	6,113	575,721	36,540	52	118	338,000	120,901	511,560	970,461	970,461	995,883	(25,422)
20 N SANPETE	1,079	144,604	8,820	14	77	91,000	30,367	123,480	244,847	244,847	231,990	12,857
21 N SUMMIT	579	85,986	5,058	11	53	71,500	18,057	70,812	160,369	160,369	145,111	15,258
22 PARK CITY	1,206	152,208	7,560	15	80	97,500	31,964	105,840	235,304	235,304	316,679	(81,375)
23 PIUTE	371	74,176	4,320	10	37	65,000	15,577	60,480	141,057	141,057	117,739	23,318
24 RICH	350	86,182	5,220	12	29	78,000	18,098	73,080	169,178	169,178	139,854	29,324
25 SAN JUAN	1,610	538,762	23,400	56	29	364,000	113,140	327,600	804,740	804,740	828,474	(23,734)
26 SEVIER	2,637	234,811	18,180	26	101	169,000	49,310	254,520	472,830	472,830	438,515	34,315
27 S SANPETE	1,089	150,264	7,200	13	84	84,500	31,555	100,800	216,855	216,855	236,847	(19,992)
28 S SUMMIT	779	161,853	7,380	15	52	97,500	33,989	103,320	234,809	234,809	266,716	(31,907)
29 TINTIC	8	10,404	720	3	3	19,500	2,185	10,080	31,765	31,765	27,939	3,826
30 TOOELE	2,327	454,142	30,960	40	58	260,000	95,370	433,440	788,810	788,810	619,300	169,510
31 UINTAH	4,137	499,994	31,320	43	96	279,500	104,999	438,480	822,979	822,979	978,178	(155,199)
32 WASATCH	1,544	188,705	11,700	21	74	136,500	39,628	163,800	339,928	339,928	308,296	31,632
33 WASHINGTON	6,446	597,098	34,920	53	122	344,500	125,391	488,880	958,771	958,771	961,843	(3,072)
34 WAYNE	518	134,060	5,400	10	52	65,000	28,153	75,600	168,753	168,753	129,140	39,613
35 WEBER	9,938	941,850	75,960	68	146	442,000	197,789	1,063,440	1,703,229	1,703,229	1,829,939	(126,710)
36 SALT LAKE	3,857	457,049	42,930	41	94	266,500	95,980	601,020	963,500	963,500	1,041,064	(77,564)
37 OGDEN	1,983	278,982	21,780	36	55	234,000	58,586	304,920	597,506	597,506	558,241	39,265
38 PROVO	4,493	318,975	25,920	29	155	188,500	66,985	362,880	618,365	618,365	621,518	(3,153)
39 LOGAN	1,433	70,344	12,420	19	75	123,500	14,772	173,880	312,152	312,152	226,157	85,995
40 MURRAY	890	128,089	7,920	8	111	52,000	26,899	110,880	189,779	189,779	203,077	(13,298)
TOTAL	137,418	16,083,463	1,133,532	1,416	3,093	9,204,000	3,377,527	15,869,448	28,450,975	28,450,975	27,367,976	1,082,999

Special Education

The Special Education funding formula was examined within four contexts: (a) the need to base allocations on prior year data, (b) the need to modify the weighted level system, (c) the need to charge indirect costs to Special Education programs, and (d) modification of the manner in which the handicapped self-contained adjustment is paid. Background and arguments relating to each study area are presented in the above listed order, followed by the combined recommendations.

Allocating Funds on Prior Year Data

Study Assignment: Should Special Education funds be allocated to school districts based on prior year data with an adjustment for growth?

Background Information: Under the present system of allocating funds, even though based primarily on prior year data, school districts are provided preliminary allocation estimates which often change, sometimes significantly, through the school year.

Argument For Fixing Allocations Before The School Year Begins: School districts have difficulty in program planning, budgeting, and managing when plans and budgets are based on preliminary fund allocation data and which, when finalized, vary significantly from the preliminary data used.

Modification of the Weighted Level System

Study Assignment: Should the weighted level system of allocating Special Education funds to school districts be changed by significantly changing the weightings and reducing the number of levels?

Background Information: The present weighted level system was established by the legislature several years ago. It was intended to overcome problems with the system of allocating funds to school districts based on the various handicapping conditions of Special Education students. The implementation of the weighted level system required the development of an extensive computerized data collection system known by the acronym SCRAM.

Arguments For Changing the System:

a. Operation of the weighted level system requires an extremely complex data collection system which is burdensome for school district staff.

b. It provides little incentive for efficiency; it is largely a cost reimbursement system.

c. The weighted level system places districts in competition for shares of a fixed appropriation of money.

d. There appears to be a growing problem of a "downward spiral" of funding wherein districts are required to provide more and more services to handicapped students just to maintain their shares of the appropriation. The delivery of more services results in higher costs to a district but does not result in increased funding, thus creating funding problems for programs for the handicapped.

Arguments Against Changing the System:

a. The weighted level system was developed by a committee appointed by the legislature, adopted by the legislature, and was implemented through significant effort. The SCRAM data collection system has been developed, refined, and is now functioning smoothly. It has withstood federal audit and provides valuable program management information in addition to providing data for the allocation of funds to school districts.

b. A change would result in some redistribution of appropriated funds among school districts.

It should be emphasized that the SCRAM system does serve two functions: that of providing program management information and data for allocating funds to school districts under the weighted level system. The program management function can continue even if the weighted level system is changed.

Charging Indirect Costs to Programs

Study Assignment: Should school districts be allowed to charge indirect costs to programs for the handicapped?

Background Information: Current state law provides that the appropriation for programs for the handicapped shall be for the "direct cost" of such programs. The State Board of Education has interpreted this to mean that indirect costs are disallowed.

Arguments For Allowing Indirect Costs to be Charged:

a. Indirect (overhead) costs are part of the costs of operating programs for the handicapped. By not allowing those costs to be charged to the program, the costs must be borne by other programs.

b. Indirect costs are allowable in all other programs. The proposed change would make accounting for handicapped programs consistent with other program accounting, promote greater accountability, and would provide more accurate data on the actual costs of conducting programs for the handicapped.

c. Currently, indirect costs are allowed to be charged against the first resource WPU.

Argument Against Allowing Indirect Costs to be Charged:

Programs for the handicapped, as all other programs, operate on limited appropriations. Allowing indirect costs to be charged and recovered from the handicapped programs could reduce funds available for direct costs in some districts.

Modification in Payment Method for the Handicapped Self-Contained Adjustment

Study Assignment: Should the Handicapped Self-Contained Adjustment appropriation be merged into the Handicapped Regular Program appropriation, with each handicapped student receiving one basic program weighted pupil unit (WPU)?

Background Information: The Handicapped Self-Contained Adjustment appropriation is intended to ensure that every handicapped student generates at least the equivalent of one WPU. This is necessary because, under the weighted level system, the legislature's annual appropriation has been less than the amount generated by the system. Resource students generate one basic WPU, with a handicapped program amount added on. Under the present system, self-contained students receive only the add-on amount which includes one basic WPU if the program is funded fully according to the handicapped WPUs generated. Because the program has not been fully funded, the self-contained adjustment is necessary.

Arguments For Merging the Self-Contained Adjustment Into the Handicapped Regular Program Appropriation:

a. The USOE system of determining allocations to school districts can be revised so that every handicapped student, both resource and self-contained, would be allocated one basic WPU with the handicapped WPUs added on.

b. Merging the two appropriations together would eliminate one line on the appropriation spread sheet, thus simplifying the work of the legislature.

c. Allocations to school districts would not change.

Argument Against Merging the Self-Contained Adjustment Into the Handicapped Regular Program Appropriation:

Identification of the amount required to cover self-contained underfunding would not be possible.

Recommendations

Allocating Funds on Prior Year Data:

The State Office of Education should change its policies and procedures such that special education allocations are based on prior year data plus an adjustment for growth. Allocations to districts should be fixed at the end of the third term. WPUs should be set aside for audit exceptions and growth should be based on fall enrollment.

Charging Indirect Costs to Programs

a. Allow school districts to charge and recover indirect costs from programs for the handicapped.

b. Increase the appropriation for programs for the handicapped to cover indirect costs and decrease the regular program appropriation correspondingly.

Modification in Payment Method for the Handicapped Self-Contained Adjustment

a. Merge the Handicapped Self-Contained Adjustment appropriation with the Handicapped Regular Program appropriation. Appropriate handicapped funds similar to the appropriation of vocational education funds, with each student generating one basic WPU, with handicapped funds added on. Continue the maintenance of effort requirement.

b. Revise the law to state that each handicapped student shall receive one basic WPU. Have the USBE add a factor to the system for determining allocations to show that each student does receive one basic WPU.

NOTE: The Task Force has made no recommendations concerning the modification of the weighted level system or SCRAM. A separate committee has undertaken a review of these components of Special Education funding and will submit recommendations at a later date.

Notes

1. Robins, H. B. (1988). *Value emphasis and fiscal equity effects of reform in education: An examination of linkages*. Unpublished doctoral dissertation, University of Utah.

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3. Serrano v. Priest, 487 P.2d 1241 (1971).

4. Augenblick, J. (1990). *An analysis of the equity of Utah's school finance system: A report for the Utah State Office of Education*. Denver, CO: Augenblick, Van de Water & Associates.

5. *The 1990-91 minimum school program*. Salt Lake City, UT: Utah State Office of Education.

6. Brown v. Board of Education of Topeka, 347 U.S. 483, 74 S.Ct. 686 (1954).

7. San Antonio Independent School District v. Rodriguez, 411 U.S. 959, 93 S.Ct. 1919 (1973).

8. Edgewood Independent School District v. Kirby, 777 S.W.2d 391 (TX, 1989). Full text provided by Bill Sparkman, Texas Tech University, Lubbock.

9. Rose v. The Council for Better Education, Inc., 88-SC-804-TG (KY), 790 S.W. 2d 1289 (KY, 1989).

10. Abbott v. Burke, 575 A.2d 359 (NJ, 1990).

11. Newman, M. (1990). Legal challenges to finance formulas on court dockets in at least 12 states. *Education Week*, **9**, 14, 19.

12. Courtesy of Sherie Surbaugh and Lee Tack, Bureau of School Administration and Accreditation, Des Moines, IA.

13. Courtesy of Joyce Reinke, State Department of Education, Salem, OR.

14. Courtesy of Deborah Gallay, Governor's Office, Tallahassee, FL.

15. Courtesy of Tom Collins, State Department of Education, Quincy, MA.

16. Courtesy of George Stone, State Department of Education, Indianapolis, IN.

17. Courtesy of Jim Phelps, State Department of Education, Lansing, and Janette Weaver, Kalkaska School District, MI.

18. Courtesy of Mary J. Connelly, University of Tennessee, Knoxville.

19. Courtesy of Don Carnahan and Dale Rogers, State Department of Education, Olympia, WA.

Appendix A

Summaries of Public Hearings and Written Remarks

Equity

1. Court cases in other states are not necessarily applicable in Utah.
2. Court cases in other states are germane.

Capital Outlay

1. Equalization need not necessarily mean that increased state supplements to poor districts be accompanied by restrictions for wealthier districts. Districts should be able to tax for excellence if they choose to do so. Equalization would (a) reduce the capability of local communities to improve their educational facilities beyond a minimum standard mandated by the state, (b) remove local control of educational quality, and (c) fund a state-wide minimum capital facilities program with revenues from a limited number of property owners.

2. Litigation over school finance equalization usually produces the requirement for more state funding.

3. Equalization can be achieved by increasing state funding of poor districts. The superintendents' proposal calls for a $21 million infusion over 3 or 4 years.

4. Notwithstanding changes in the capital outlay formula, some provision must be made for small district contingencies.

5. Under the superintendents' proposal, all districts would be guaranteed capital outlay funds at a rate at least equal to a state average but that no cap would be placed on the amount districts could raise.

6. Whichever recommendation is adopted, it needs to be unanimously supported if the legislature is to consider it seriously.

7. The superintendents' proposal has a negative side. Some wide disparities between wealthy and poor districts remain.

8. Funds to support this proposal would have to be (a) new money or (b) current money shifted from other programs. What do the teachers have to say about this? One point made is that class size reduction requires more classroom space.

9. Is the year-round school concept cutting down on capital needs? Yes, but it is increasing operating and transportation expenses. Transportation routes are not as efficient.
10. The committee proposal would require tax increases. As such, it would more accurately be called a "state" tax, not a "local" tax.
11. School facilities state-wide are not equal (consider, for example, the Area Vocational Centers), and the study committee proposal will not make them equal.
12. Critical aid is shrinking year by year. Thus, for growing districts, more capital funding is needed, not less, as would be the case under equalization in some cases. Capital outlay funds cannot be distributed in the same manner as M and O funds. Basing the equalization formula on WPU would hurt small districts.

Voted Leeway

1. The "cap" on the voted leeway of 25% of the previous year's WPU revenue is opposed on the grounds that it unfairly limits the ability of districts to voluntarily tax themselves for enhanced programs. Such a cap would severely limit some districts in their attempts to provide expanded programs. In at least two districts, it could cause program cuts of significant proportion.
2. A request was made that the task force explain how the voted leeway guarantee would be implemented.
3. Should the voted leeway be equalized? That is, for the same tax effort, should the revenue in all cases be roughly equivalent as in the case of operating revenues?
4. If the guarantee for voted leeway is raised to $25, these funds would have to be provided from the uniform school fund.
5. The optimum situation is to guarantee all 10 mills of the voted leeway.
6. The superintendents' proposal allows disparities to remain. Identical levies in different districts raise vastly different amounts of revenue.
7. The task force recommendation on equalization of voted leeway was criticized on the grounds that other districts are not making an adequate effort. That is, the suggestion was made that no district should expect to receive equalized voted leeway funds until it has itself implemented the full limit of a 10 mill voted leeway and such revenue is then shown to be inadequate. Additional criticisms are that (a) state funding is inadequate in the first place, and until more funds from the general fund are dedicated to education, equalization of existing funds cannot help, (b) the task force recommendation takes no account of growth in districts, and (c) that a capital outlay plan must produce at least enough tax revenue to service existing debt.
8. The concept of total equalization was challenged on the grounds that truly equal spending is inappropriate. School districts have unique needs which call for variances in spending, and the expenditure of equal dollars does not assure equal opportunity.

9. The consultant working with the state advised that while M and O funding is equalized, capital outlay and voted leeway funding presents problems in equity.
10. The finance committee of the Utah Education Association has given tentative endorsement to the task force proposals for modifying capital outlay and voted leeway funding formulas. It does not believe that the money is where the students are.
11. The transportation levy is just as disequalizing as the voted leeway.
12. The question was asked, "Is the bottom line, for the capital outlay and voted leeway proposals, no increase in taxation and no increase in state spending?
13. Would the study committee proposal be necessary if taxation was state-wide, revenue was centralized, and then distributed state-wide on pupil count? Probably not, but local autonomy and local initiatives for excellence would be killed.
14. It would be unwise to try to equalize everything. Every state allows for some local initiative. How can we restrict a district that wants to tax itself for improved programs? Why would we want to?
15. What do the wealthy districts do with the voted leeway money they raise? They buy more teachers, pay higher salaries, and buy better equipment.
16. Poor districts have to have high levies just to get by.
17. With respect to the voted leeway guarantee, would it not be more equitable to guarantee all 10 mills? Yes, but it would cost a lot of money.

Career Ladder

1. Because career ladder funding has not been increased in recent years to keep pace with the added number of students and teachers, individual career ladders have been reduced in value or eliminated. The original 7 extra contract days for teachers, for example, have been trimmed to 6 in some districts due to a lack of funds. Much support was offered for this recommendation.
2. It was pointed out that some dissatisfaction with career ladders has been expressed. A UEA representative expressed the opinion that some teacher dissatisfaction with the career ladder may result from the dilution of the program. They simply don't have faith in the long-term viability of the program. Those speaking in favor of career ladders point out that teachers like the idea of career enlargement, but that tying the career ladder to productivity presents measurement problems that haven't been resolved.
3. It was emphasized that moving the career ladder into the WPU section of the minimum school program is the only specific recommendation in this area. Added funds, principally in the form of the "third leg" will be included as a general recommendation of the task force.
4. The task force proposal to move the career ladder into the WPU section of the minimum school program was strongly supported. Concern was expressed that if such a move is accomplished, that career ladder funds not get "lost" or diverted to other programs.

5. The task force was urged to include in the career ladder recommendation, the suggestion that the "third leg" of the ladder now be funded.
6. Why can't the state office identify 5 career ladders that work and then restrict spending to those activities?

Small Schools

Some of the smallest schools are not getting as much through the small schools formula as schools which are larger. This is opposite the effect intended when the formula was written.

At-Risk Student Population

1. The small schools formula was used as an example to explain how students with unusual circumstances can require additional funding. Specifically, it was explained that inner-city districts must provide additional services for culturally diverse and economically disadvantaged students and because of that, the extra needs of these districts are similar to those of districts with necessarily existent small schools.
2. The unique challenges presented by inner-city conditions were acknowledged, and it was explained that a separate study will examine this problem in the future. It was emphasized that this is considered to be a serious problem and that it will not be ignored, but that it was considered too large a problem for the current task force to handle within the time constraints of the study.

Adult High School Completion

There is no objection to the $7,500 base allocation, but why guarantee it for two years if no program is in operation?

Block Grant Experimental Programs

1. The recommendation to remove capital outlay funds from the block grant program was made in order to remove a potential source of inequity. Since under the "10% of the basic" program, funds can already be shifted from capital outlay to maintenance and operation, allowing it under the block grant program as well could produce excessive funding disparities.
2. Removing capital outlay funds from the block grant program is in direct opposition to the stated desires of the Governor and the State Board.
3. Some flexibility in shifting funds between capital and operating budgets is necessary.
4. A suggestion was made that only previously equalized revenues be block granted.

Modification of the 2-Mill (Local) Program

Since this program is not included in the WPU section of the minimum school program, it is similar to career ladders in that it receives no increase for growth and inflation. It is particularly important that this fund keep up with inflation, because it is one of the funds which provide great flexibility for districts—there are no restrictions on its use. All comments favored the task force recommendation.

Social Security and Retirement

1. The recommendation on Social Security and retirement was considered necessary in view of the $7M shortfall experienced in 1989-90 and likely shortfalls in the future.
2. The opinion was expressed that the shortfall was caused by underestimation at the beginning of the year.
3. The state is committed to full funding of Social Security and retirement, and the task force recommendation represents abandonment of that commitment.
4. The state created an unfunded liability when it authorized the retirement window two years ago. Shifting the responsibility for Social Security and retirement to the districts would shift this liability to them also, the result of which could be a large liability added to their balance sheets, possibly affecting their bond ratings.
5. All individual program allocations would have to include enough to cover the Social Security and retirement associated with them. This may cause termination of some programs.
6. Some public comment favored the task force recommendation.
    a. Districts providing salary increases in excess of the rate funded by the state are being subsidized by those who held raises to the rate funded by the state. The task force recommendation would eliminate this condition.
    b. Districts with excess administration and those receiving P.L. 874 funds are both subsidized by districts which have low administrative costs and which do not receive P.L. 874 funds. The task force recommendation would also eliminate this.
    c. By distributing Social Security and retirement on the basis of student count or WPU, and providing enough in each program allocation to provide for Social Security and retirement on that basis, distribution would be fair and those districts wishing to raise salaries beyond the state rate could do so—at their own expense.

Teacher Incentives

No public comment.

Consolidation of Special Purpose Programs

1. It appears that fund allocations under this program are related to the grant-writing ability of the districts. The recommendation is to consolidate five of the programs in this category and allocate funds in a manner which guarantees each district at least some experimental money. The remainder of the funds would be distributed on Request for Proposal (RFP).

2. A suggestion was made that the state not abandon a project once it has just begun, shifting the future funding of it to the district.
3. Districts were advised that, even though this recommendation would provide much more local control of experimental money, it would probably increase state-mandated measures for accountability.
4. Funds could be used in any or all of the program areas.
5. Multi-year plans would still be acceptable and current plans would not be cancelled.

Utilities and Insurance

No public comment.

Youth in Custody

No public comment.

Consolidation of Special Purpose Optional Programs

No public comment.

Transportation

1. Recognize that districts undergoing change will have additional needs. For example, districts moving to year-round schedules will have added transportation requirements. The fall count would take care of this.

2. Too much power resides with the transportation specialist, and the density formula used is not understood by the districts, nor is it accurate.

3. Inclusion of handicapped transportation in the density formula skews the payoff downward for urban districts.

4. The current formula does not reward efficiency.

Modification of the MSP Allocation Method

1. Districts are unable to precisely predict fall enrollments. Any funding mechanism based on estimates, because of year-to-year fluctuations, is unacceptable. When estimates are used, there is a built-in incentive to inflate headcounts. Moreover, if estimates are used, some districts receive excess funds while others are shorted.

2. It was emphasized that the new formula uses actual headcounts, not estimates. Admittedly, the counts may not be perfect, and budgets are being prepared two years in advance. July figures will be modified by the actual October 1 headcount, which should prove to be quite accurate.

Task Force Membership

The task force is biased and unrepresentative.

Public Hearing Schedule

Notice of the public hearings and the hearing facilities on August 8 were inadequate. The television format was intimidating, and an evening time would have accommodated the working public better than mid-morning.

Appendix B

Minimum School Program
Spreadsheet

Feb. 22, 1990

STATE SUPPORTED MINIMUM SCHOOL PROGRAM, FISCAL YEAR 1990-91

Assumptions: K-12 Enrollment·········· 441,700 (up 5,938 or 1.36% over fall enrollment)

Assessed Valuation·········· $ 48,602,000,000 (Level)*

WPU Value·········· $ 1,346

PROGRAMS	FISCAL YEAR 1989-90 APPROPRIATION SB 261		FISCAL YEAR 1990-91 APPROPRIATION HB 475		CHANGE		GOVERNING SECTIONS UTAH LAW	ADMIN. CODE
	1989-90 WPUs	$ Amount @ 1,240	1990-91 WPUs	$ Amount @ 1,346	$ Amount	Percent	53A-17-103(1)	
I. BASIC SCHOOL PROGRAMS:								
A. REGULAR BASIC SCHOOL PROGRAMS								
1. Kindergarten	18,965	23,516,600	17,853	24,030,138	513,538	2.2%	53A-17-112(2)/53A-17-115(2)	R300-419
2. Grades 1-12	387,152	480,068,480	393,052	529,047,992	48,979,512	10.2%	53A-17-115(2)	R300-419
3. Professional Staff	35,145	43,579,800	35,560	47,863,760	4,283,960	9.8%	53A-17-112(16)/53A-17-115(2)	
4. Administrative Costs	1,840	2,281,600	1,840	2,476,640	195,040	8.5%	53A-17-112(17)	R300-427
5. Nec Existent Small Rural Schools	5,834	7,234,160	5,903	7,945,438	711,278	9.8%	53A-17-112(3-7)/53A-17-115(2)	R300-445
7	448,936	556,680,640	454,208	611,363,968	54,683,328	9.8%		
B. SPECIAL PURPOSE OPTIONAL PROGRAMS:**								
1. Instructional Media Centers	284	352,160	287	386,302	34,142	9.7%	53A-17-112-(18),(b)	
2. Extended Year, Day and Summer	339	420,360	343	461,678	41,318	9.8%	53A-17-112-(18),(h)	
3. Compensatory Education	344	426,560	348	468,408	41,848	9.8%	53A-17-112(18),(a);(h)(ii)	R300-739
4. Elementary School Guidance	527	653,480	533	717,418	63,938	9.8%	53A-17-112-(18),(h),(x)	
5. Community Education	173	214,520	175	235,550	21,030	9.8%	53A-17-112-(18),(h),(i)	R300-732
6. Career Education	116	143,840	117	157,482	13,642	9.5%	53A-17-112-(18),(h),(iii)	
7. Education Field Trips	209	259,160	211	284,006	24,846	9.6%	53A-17-112-(18),(h)	
8. Elementary Music	199	246,760	201	270,546	23,786	9.6%	53A-17-112-(18),(c);(h)(iv)	
9. Textbooks and Lab Fees	1,547	1,918,280	3,051	4,106,646	2,188,366	114.1%	53A-12/53A-117-112(18),(e);(h)(v)	R300-407
10. Responsible Parenthood	104	128,960	0	0	(128,960)	-100.0%	53A-17-112-(18),(h),(vi)	
11. Bilingual Education	175	217,000	177	238,242	21,242	9.8%	53A-17-112-(18),(f)	R300-716
12. Class Size Reduction	6,856	8,501,440	6,931	9,329,126	827,686	9.7%	53A-17-112-(18),(g);(h)(vii)	R300-430
13. Special Needs	843	1,045,320	852	1,146,792	101,472	9.7%	53A-17-112-(18),(d),(viii)	
14. Advanced Placement	0	0	0	0	0	0.0%	53A-17-112-(18),(h),(ix)	R300-712
15. Concurrent Enrollment	0	0	0	0	0	0.0%	53A-17-112-(18),(h),(xi)	R300-713
Total Special Purp Opt Prgms (1 to 15)	11,716	14,527,840	13,226	17,802,196	3,274,356	22.5%		
C. RESTRICTED BASIC SCHOOL PROGRAMS								
1. Handicapped-Regular Program	51,042	63,292,080	52,507	70,674,422	7,382,342	11.7%	53A-17-112(8-13)/53A-17-115(2)	R300-750
(a) Handicapped-Pre-School	0	0	2,174	2,926,204	2,926,204	N/A		
2. Self-Cont Handicapped Adjustment	1,621	2,010,040	1,348	1,814,408	(195,632)	-9.7%	53A-17-112(13)/53A-17-115(2)	R300-750
3. Extended Year Prog for Sever Handicap	226	280,240	224	301,504	21,264	7.6%	53A-17-107(1)(b)/53A-17-112(8-13,21)	R300-750
4. Handicapped--State Programs	1,287	1,595,880	1,277	1,718,842	122,962	7.7%	53A-17-112(8-13)/53A-17-115(2)	R300-750
Total Handicapped (1 to 4)	54,176	67,178,240	57,530	77,435,380	10,257,140	15.3%		
5. Vocational and Tech Ed - District	14,472	17,945,280	15,427	20,764,742	2,819,462	15.7%	53A-17-112(15)/53A-17-115(2)	R300-911
6. Vocational Incentive Programs	100	124,000	101	135,946	11,946	9.6%	53A-17-112(15)(f)	R300-911-7
7. Vocational District Set Aside	926	1,148,240	936	1,259,856	111,616	9.7%	53A-17-112(15)(d)	R300-911-6
8. Secondary Voc Ed--AVC's	1024	1,269,760	953	1,282,738	12,978	1.0%	53A-15-203/53A-17-112(15)(e)	R300-904
Total Vocational Education (5 to 8)	16,522	20,487,280	17,417	23,443,282	2,956,002	14.4%		
9. Youth-In-Custody	3,064	3,799,360	3,098	4,169,908	370,548	9.8%	53A-1-403/53A-17-112(14),-115(2)	R300-709
10. Adult High School Completion	2,810	3,484,400	2,841	3,823,986	339,586	9.7%	53A-17-112-(24)/53A-17-115(2)	
11. Accelerated Learning Programs	1,711	2,121,640	1,731	2,329,926	208,286	9.8%	53A-17-112-(25)/53A-17-115(2)	R300-712
12. At-Risk Students	943	1,169,320	1,240	1,669,040	499,720	42.7%	53A-1-403/53A-17-112-(26),-115(2)	R300-609
13. Private School Driver Education	17	21,080	17	22,882	1,802	8.5%	53A-13-203/53A-17-112(19)	R300-746,-747

Total Other Restricted Prgms (9 to 13)	8,545	10,595,800	8,927	12,015,742	1,419,942	13.4%		
TOTAL BASIC SCHOOL PROGRAM WPUs (A TO C)	539,895	669,469,800	551,308	742,060,568	72,590,768	10.8%		
D. RELATED TO BASIC PROGRAM								
1. Local Program		15,823,700		15,823,700	0	0.0%	53A-17-103(5)(p),-106(15)	R300-418-3
2. Retirement		77,261,526		82,876,819	5,615,293	7.3%	53A-17-103(5)(q)(ii),-112(20),-115(2)	R300-421
a. Adjustment for Early Retirement		(5,712,300)		0	5,712,300	-100.0%	53A-17-103(5)(q)(ii)	R300-427-6
3. Social Security		48,602,834		52,898,581	4,295,747	8.8%	53A-17-112(20)/53A-17-115(2),(6)	R300-421
4. Health Insurance Adjustment		11,173,400		11,173,400	0	0.0%	53A-17-103(5)(o)/53A-17-106(9)	
Total Related to Basic Program (1 to 3)		147,149,160		162,772,500	15,623,340	10.6%		
II. SPECIAL PURPOSE PROGRAMS:								
A. Experimental Programs		321,000		321,000	0	0.0%	53A-17-103(5)(e)/53A-17-106(5)	
B. Productivity Study		1,137,700		1,137,700	0	0.0%	53A-17-103(5)(f)/53A-17-106(6)	R300-405
C. Incentives for Excellence		300,000		300,000	0	0.0%	53A-4-202/53A-17-106(6)(b)	R300-402,406
D. Contingency Fund		606,600		606,600	0	0.0%	53A-17-103(5)(g)/53A-17-117(1)	R300-420
E. Pupil Transportation To & From School		24,535,500		26,423,499	1,887,999	7.7%	53A-17-107/53A-17-108	R300-600,601
F. Utilities and Insurance		11,167,708		0	(11,167,708)	-100.0%	53A-17-106(8)	R300-453
G. Career Ladders		34,332,300		34,332,300	0	0.0%	53A-9-101 to 105/53A-10/53A-17-106(10	R-300-526
H. Year-Round Schools		1,200,000		1,200,000	0	0.0%	53A-17-106(11)	R300-404
I. Outcome-Based Education		1,156,400		1,156,400	0	0.0%	53A-17-106(12)	R300-705
J. Technology/New Delivery Systems		200,000		200,000	0	0.0%	53A-17-106(13)	R300-409
K. Regional Service Centers		466,000		466,000	0	0.0%	53A-17-103(5)(n)/53A-17-106(14)	
L. Awards for Excellence		0		200,000	200,000	N/A		
Total Special Purpose Prgms (A TO K)		75,423,208		66,343,499	(9,079,709)	-12.0%		
III. BOARD AND VOTED LEEWAY PROGRAMS:								R300-418
A. Voted Leeway Program		38,323,612		42,510,417	4,186,805	10.9%	53A-17-114	
B. Board Leeway State Support		0		6,800,000	6,800,000	N/A		
Total Board & Voted Leeway Prgms		38,323,612		49,310,417	10,986,805	28.7%		
								R300-422
TOTAL MINIMUM SCHOOL PROGRAM (I to III)		930,365,780		1,020,486,984	90,121,204	9.7%		
IV. LOCAL REVENUE:								
A. Basic Levy	0.004656	200,792,453	0.004656	206,547,092	5,754,639	2.9%	53A-17-105/53A-17-106	
B. Voted Leeway		34,377,635		37,358,960	2,981,325	8.7%	53A-17-114	
Total Local Contribution (A TO C)		235,170,088		243,906,052	8,735,964	3.7%		
V. STATE REVENUE:								
A. Uniform School Fund		695,195,692		776,580,932	81,385,240	11.7%	53A-16/53A-17-115	
TOTAL REVENUE (IV to V)		930,365,780		1,020,486,984	90,121,204	9.7%		
VI. SCHOOL BUILDING AID PROGRAM: ***		6,458,000		6,458,000	0	0.0%	53A-20, 21, 22 and 23	R300-418-5
VII. TWO MILL REIMBURSEMENT PROGRAM		1,601,386		0	(1,601,386)	NA		
VIII.SOC. SECT. & RET. HOLD HARMLESS		1,172,684		0	(1,172,684)	NA		
	Recapture:		Recapture:				53A-17-106(3)	
* NOT adjusted for redevelopment.	Emery	677,759	Emery	366,531				
(Adjusted Value: $47,638,624,953)	Millard	6,961,533	Millard	5,694,217				
** Funds may be spent on one or more of	Park Ct	591,271	Park Ct	519,322				
these programs.	S Summi	4,574,508	S Summi	2,276,374				
*** Revenue source: Mineral Lease Fund.		12,805,071		8,856,444				

SOURCE: UTAH STATE OFFICE OF EDUCATION

SCHOOL FINANCE AND BUSINESS (V:\123\MSP91\MINISPSH\LEGFINAL.WK1)

Appendix 16

END

U.S. Dept. of Education

Office of Education
Research and
Improvement (OERI)

ERIC

Date Filmed

March 29, 1991